

fair price. They need to learn how to improve and diversify their production. Above all, they need to hope that they will not be left behind as the modernization of Latin America moves forward. They need to feel that not only their governments but that their fellow citizens in the cities have an interest in improving rural life. Building a modern nation is more than a technical task. City folk and country folk, the rich and the poor, the educated and the illiterate, must develop a sense of common purpose and brotherhood.

IV

The Alliance for Progress was only beginning to take hold in the Dominican Republic—a little country with a great potential to provide a good life for its people—when the government was overthrown in April. Tragically, a hard-handed dictator had for three decades thwarted the development of the institutions required for effective democracy and social progress. Such economic advance as took place was poorly balanced. Potential leaders in the country did not have an opportunity to develop mutual understanding and trust. Such a legacy is indeed hard to overcome.

The countries of this hemisphere must devise new mechanisms for cooperative ac-

tion in the Dominican situation and for any crises which might arise in the future. And all of us in the Alliance for Progress must demonstrate our deep and lively interest in the welfare of the people of the Dominican Republic. For, they want what the rest of us want for ourselves: Representative constitutional government, economic and social progress, hope that their children's lives will be happier and more fruitful than their own. One of our jobs in this hemisphere is to help the Dominican people to attain these objectives. The machinery of the Alliance for Progress should set to work to build as rapidly as possible on that island the foundations for a modern, democratic life.

V

Above all, however, the Alliance for Progress needs the enthusiastic and sustained support of the people of all the member countries. The people must know that this is their program. And this is where you—the Partners of the Alliance—are helping to make an invaluable contribution. You have established the means whereby the people of all our countries can join together in a partnership of mutual help—a partnership based on respect for each other's culture, and for each other's dignity.

One of the greatest strengths of our form of society is the readiness of private citizens, as individuals and through voluntary organizations, to further public objectives.

Through your efforts more and more people will come to see and understand that the Alliance is a living thing and that it goes beyond power projects and trade conferences and governmental decrees. Through your efforts more and more people will come to realize that there are many things they can do for themselves, things that governments cannot do for them, things they can do right now to change their lives and to improve the chances of their children having better lives.

Your work has already produced suggestions for hundreds of ways in which the people themselves can participate in the Alliance for Progress.

So, I think we are all entitled to regard this First Inter-American Conference of the Partners of the Alliance as a significant milestone. I congratulate you. Let us move forward, never forgetting, as President Johnson said recently, that we in North America and Latin America have always had very special ties of interest and affection and that "together we share and shape the destiny of the New World."

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 23, 1965

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Deuteronomy 6:18: *Thou shalt do that which is right and good in the sight of the Lord.*

Almighty God, Thou knowest how greatly concerned we are about the welfare of our beloved country and the problems of its defense and security.

Help us to see clearly that if our Nation is to remain invulnerable and invincible, then we must not fail to mobilize our moral and spiritual resources.

Grant that our leaders and chosen representatives may seek and surrender themselves gladly and gratefully to the guidance of Thy divine spirit.

May we earnestly covet for ourselves a new nativity of faith and courage which will enable us to remain strong and steadfast when we encounter life's stern demands and difficulties.

Hear us in Christ's name. Amen.

THE JOURNAL

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

MESSAGE FROM THE PRESIDENT

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

On June 12, 1965:

H.R. 821. An act for the relief of the town of Kure Beach, N.C.

On June 14, 1965:

H.R. 2299. An act for the relief of Robert L. Yates and others;

H.R. 3051. An act for the relief of Vermont Maple Orchards, Inc., Burlington, Vt.;

H.R. 3074. An act for the relief of Maxie L. Stevens; and

H.R. 7597. An act to establish the veterans reopened insurance fund in the Treasury and to authorize initial capital to operate insurance programs under title 38, United States Code, section 725.

On June 18, 1965:

H.R. 6755. An act authorizing appropriations for prosecution of projects in certain comprehensive river basin plans for flood control, navigation, and other purposes.

On June 21, 1965:

H.R. 8371. An act to reduce excise taxes, and for other purposes.

On June 22, 1965:

H.R. 1782. An act to amend the Retired Federal Employees Health Benefits Act with respect to Government contribution for expenses incurred in the administration of such act; and

H.R. 7777. An act to authorize the President to appoint Gen. William F. McKee (U.S. Air Force, retired) to the office of Administrator of the Federal Aviation Agency.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 6453. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1966, and for other purposes.

The message also announced that the Senate insists on its amendments to the bill H.R. 6453, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints as conferees Mr. BYRD of West Virginia, Mr. HAYDEN, Mr. BARTLETT, Mr. MCINTYRE, Mr. CASE, Mr. COTTON, and Mr. SALTONSTALL.

COMMITTEE ON RULES

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file reports.

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

There was no objection.

PERSONAL EXPLANATION

Mr. DULSKI. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. DULSKI. Mr. Speaker, I am recorded as not voting on rollcalls Nos. 145, 146, and 147. I was in my district. If present, I would have voted "yea" on all three measures.

LEGISLATIVE PROGRAM

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. ARENDS. Mr. Speaker, I have asked for this time to inquire of the majority leader if he will kindly inform us of any changes in the program for this week, and what we may expect.

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

Mr. ARENDS. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Last night we announced the addition of two bills to the program for this week. Those bills will be brought up tomorrow. One, a joint resolution, has to do with the temporary extension of the Area Redevelopment Act. The other deals with the extension

of the Juvenile Delinquency Control Act. Those two bills will be brought up tomorrow.

Mr. ARENDS. And it is expected to finish the appropriation bill and call those two up tomorrow?

Mr. ALBERT. We will call them tomorrow.

Mr. ARENDS. And that will complete the program for the week?

Mr. ALBERT. It will complete the program, as far as I know, for the week.

Mr. ARENDS. Mr. Speaker, I thank the gentleman from Oklahoma.

SUBCOMMITTEE ON IMMIGRATION, COMMITTEE ON THE JUDICIARY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Subcommittee on Immigration of the Committee on the Judiciary may be permitted to sit during general debate today, June 23, 1965.

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

There was no objection.

ANNUAL REPORT OF ST. LAWRENCE SEAWAY DEVELOPMENT COR- PORATION (H. DOC. NO. 218)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Public Works and ordered to be printed with illustrations:

To the Congress of the United States:

Pursuant to the provisions of section 10 of Public Law 358, 83d Congress, I transmit herewith for the information of the Congress the Annual Report of the St. Lawrence Seaway Development Corporation, covering its activities for the year ended December 31, 1964.

LYNDON B. JOHNSON.

THE WHITE HOUSE, June 23, 1965.

UNIFORM POLICIES ON MULTIPLE- PURPOSE WATER RESOURCE PROJECTS

Mr. ASPINALL. Mr. Speaker, I call up the conference report on the bill (S. 1229) to provide uniform policies with respect to recreation and fish and wildlife benefits and costs of Federal multiple-purpose water resource projects, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 538)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1229) to provide uniform policies with respect to recreation and fish and wildlife

benefits and costs of Federal multiple-purpose water resource projects, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter inserted by the House amendment insert the following:

"That it is the policy of the Congress and the intent of this Act that (a) in investigating and planning any Federal navigation, flood control, reclamation, hydroelectric, or multiple-purpose water resource project, full consideration shall be given to the opportunities, if any, which the project affords for outdoor recreation and for fish and wildlife enhancement and that, wherever any such project can reasonably serve either or both of these purposes consistently with the provisions of this Act, it shall be constructed, operated, and maintained accordingly; (b) planning with respect to the development of the recreation potential of any such project shall be based on the coordination of the recreational use of the project area with the use of existing and planned Federal, State, or local public recreation developments; and (c) project construction agencies shall encourage non-Federal public bodies to administer project land and water areas for recreation and fish and wildlife enhancement purposes and operate, maintain, and replace facilities provided for those purposes unless such areas or facilities are included or proposed for inclusion within a national recreation area, or are appropriate for administration by a Federal agency as a part of the national forest system, as a part of the public lands classified for retention in Federal ownership, or in connection with an authorized Federal program for the conservation and development of fish and wildlife.

"SEC. 2. (a) If, before authorization of a project, non-Federal public bodies indicate their intent in writing to agree to administer project land and water areas for recreation or fish and wildlife enhancement or for both of these purposes pursuant to the plan for the development of the project approved by the head of the agency having administrative jurisdiction over it and to bear not less than one-half the separable costs of the project allocated to either or both of said purposes, as the case may be, and all the costs of operation, maintenance, and replacement incurred therefor—

"(1) the benefits of the project to said purpose or purposes shall be taken into account in determining the economic benefits of the project;

"(2) costs shall be allocated to said purpose or purposes and to other purposes in a manner which will insure that all project purposes share equitably in the advantages of multiple-purpose construction: *Provided*, That the costs allocated to recreation or fish and wildlife enhancement shall not exceed the lesser of the benefits from those functions or the costs of providing recreation or fish and wildlife enhancement benefits of reasonably equivalent use and location by the least costly alternative means; and

"(3) not more than one-half the separable costs and all the joint costs of the project allocated to recreation and fish and wildlife enhancement shall be borne by the United States and be nonreimbursable.

Projects authorized during the calendar year 1965 may include recreation and fish and wildlife enhancement on the foregoing basis without the required indication of intent. Execution of an agreement as aforesaid shall be a prerequisite to commencement of construction of any project to which this subsection is applicable.

"(b) The non-Federal share of the separable costs of the project allocated to recrea-

tion and fish and wildlife enhancement shall be borne by non-Federal interests, under either or both of the following methods as may be determined appropriate by the head of the Federal agency having jurisdiction over the project: (1) payment, or provision of lands, interests therein, or facilities for the project; or (2) repayment, with interest at a rate comparable to that for other interest-bearing functions of Federal water resource projects, within fifty years of first use of project recreation or fish and wildlife enhancement facilities: *Provided*, That the source of repayment may be limited to entrance and user fees or charges collected at the project by non-Federal interests if the fee schedule and the portion of fees dedicated to repayment are established on a basis calculated to achieve repayment as aforesaid and are made subject to review and renegotiation at intervals of not more than five years.

"SEC. 3. (a) No facilities or project modifications which will furnish recreation or fish and wildlife enhancement benefits shall be provided in the absence of the indication of intent with respect thereto specified in subsection 2(a) of this Act unless (1) such facilities or modifications serve other project purposes and are justified thereby without regard to such incidental recreation or fish and wildlife enhancement benefits as they may have or (2) they are minimum facilities which are required for the public health and safety and are located at access points provided by roads existing at the time of project construction or constructed for the administration and management of the project. Calculation of the recreation and fish and wildlife enhancement benefits in any such case shall be based on the number of visitor days anticipated in the absence of recreation and fish and wildlife enhancement facilities or modifications except as hereinbefore provided and on the value per visitor-day of the project without such facilities or modifications. Project costs allocated to recreation and fish and wildlife enhancement on this basis shall be nonreimbursable.

"(b) Notwithstanding the absence of an indication of intent as specified in subsection 2(a), lands may be provided in connection with project construction to preserve the recreation and fish and wildlife enhancement potential of the project.

"(1) If non-Federal public bodies execute an agreement within ten years after initial operation of the project (which agreement shall provide that the non-Federal public bodies will administer project land and water areas for recreation or fish and wildlife enhancement or both pursuant to the plan for the development of the project approved by the head of the agency having administrative jurisdiction over it and will bear not less than one-half the costs of lands, facilities, and project modifications provided for either or both of those purposes, as the case may be, and all costs of operation, maintenance, and replacement attributable thereto), the remainder of the costs of lands, facilities, and project modifications provided pursuant to this paragraph shall be nonreimbursable. Such agreement and subsequent development, however, shall not be the basis for any reallocation of joint costs of the project to recreation or fish and wildlife enhancement.

"(2) If, within ten years after initial operation of the project, there is not an executed agreement as specified in paragraph (1) of this subsection, the head of the agency having jurisdiction over the project may utilize the lands for any lawful purpose within the jurisdiction of his agency, or may offer the land for sale to its immediate prior owner or his immediate heirs at its appraised fair market value as approved by the head of the agency at the time of offer or, if a firm agreement by said owner or his immediate heirs is not executed within ninety days of the date of the offer, may transfer custody of the lands to another

Federal agency for use for any lawful purpose within the jurisdiction of that agency, or may lease the lands to a non-Federal public body, or may transfer the lands to the Administrator of General Services for disposition in accordance with the surplus property laws of the United States. In no case shall the lands be used or made available for use for any purpose in conflict with the purposes for which the project was constructed, and in every case except that of an offer to purchase made, as hereinbefore provided, by the prior owner or his heirs preference shall be given to uses which will preserve and promote the recreation and fish and wildlife enhancement potential of the project or, in the absence thereof, will not detract from that potential.

"Sec. 4. At projects, the construction of which has commenced or been completed as of the effective date of this Act, where non-Federal public bodies agree to administer project land and water areas for recreation and fish and wildlife enhancement purposes and to bear the costs of operation, maintenance, and replacement of existing facilities serving those purposes, such facilities and appropriate project lands may be leased to non-Federal public bodies.

"Sec. 5. Nothing herein shall be construed as preventing or discouraging postauthorization development of any project for recreation or fish and wildlife enhancement or both by non-Federal public bodies pursuant to agreement with the head of the Federal agency having jurisdiction over the project. Such development shall not be the basis for any allocation or reallocation of project costs to recreation or fish and wildlife enhancement.

"Sec. 6. (a) The views of the Secretary of the Interior developed in accordance with section 3 of the Act of May 28, 1963 (77 Stat. 49), with respect to the outdoor recreation aspects shall be set forth in any report of any project or appropriate unit thereof within the purview of this Act. Such views shall include a report on the extent to which the proposed recreation and fish and wildlife development conforms to and is in accord with the State comprehensive plan developed pursuant to subsection 5(d) of the Land and Water Conservation Fund Act of 1965 (78 Stat. 897).

"(b) The first proviso of subsection 2(d) of the Act of August 12, 1958 (72 Stat. 563; 16 U.S.C. 662(d)) is amended to read as follows: 'Provided, That such cost attributable to the development and improvement of wildlife shall not extend beyond that necessary for (1) land acquisition, (2) facilities as specifically recommended in water resource project reports, (3) modification of the project, and (4) modification of project operations, but shall not include the operation of wildlife facilities.' The second proviso of subsection 2(d) of said Act is hereby repealed.

"(c) Expenditures for lands or interests in lands hereafter acquired by project construction agencies for the establishment of migratory waterfowl refuges recommended by the Secretary of the Interior at Federal water resource projects, when such lands or interests in lands would not have been acquired but for the establishment of a migratory waterfowl refuge at the project, shall not exceed \$28,000,000: *Provided*, That the aforementioned expenditure limitation in this subsection shall not apply to the costs of mitigating damages to migratory waterfowl caused by such water resource project.

"(d) This Act shall not apply to the Tennessee Valley Authority, nor to projects constructed under authority of the Small Reclamation Projects Act, as amended, or under authority of the Watershed Protection and Flood Prevention Act, as amended.

"(e) Sections 2, 3, 4, and 5 of this Act shall not apply to nonreservoir local flood control projects, beach erosion control projects, small boat harbor projects, hurricane protection

projects, or to project areas or facilities authorized by law for inclusion within a national recreation area or appropriate for administration by a Federal agency as a part of the national forest system, as a part of the public lands classified for retention in Federal ownership, or in connection with an authorized Federal program for the conservation and development of fish and wildlife.

"(f) As used in this Act, the term 'nonreimbursable' shall not be construed to prohibit the imposition of entrance, admission, and other recreation user fees or charges.

"(g) Subsection 6(a)(2) of the Land and Water Conservation Fund Act of 1965 (78 Stat. 897) shall not apply to costs allocated to recreation and fish and wildlife enhancement which are borne by the United States as a nonreimbursable project cost pursuant to subsection 2(a) or subsection 3(b)(1) of this Act.

"(h) All payments and repayment by non-Federal public bodies under the provisions of this Act shall be deposited in the Treasury as miscellaneous receipts, and revenue from the conveyance by deed, lease, or otherwise, of lands under subsection 3(b)(2) of this Act shall be deposited in the Land and Water Conservation Fund Act of 1965.

"Sec. 7. (a) The Secretary is authorized, in conjunction with any reservoir heretofore constructed by him pursuant to the Federal reclamation laws or any reservoir which is otherwise under his control, except reservoirs within national wildlife refuges to investigate, plan, construct, operate and maintain, or otherwise provide for public outdoor recreation and fish and wildlife enhancement facilities, to acquire or otherwise make available such adjacent lands or interests therein as are necessary for public outdoor recreation or fish and wildlife use, and to provide for public use and enjoyment of project lands, facilities, and water areas in a manner coordinated with the other project purposes: *Provided*, That not more than \$100,000 shall be available to carry out the provisions of this subsection at any one reservoir. Lands, facilities and project modifications for the purposes of this subsection may be provided only after an agreement in accordance with subsection 3(b) of this Act has been executed.

"(b) The Secretary of the Interior is authorized to enter into agreements with Federal agencies or State or local public bodies for the administration of project land and water areas and the operation, maintenance, and replacement of facilities and to transfer project lands or facilities to Federal agencies or State or local public bodies by lease agreement or exchange upon such terms and conditions as will best promote the development and operation of such lands or facilities in the public interest for recreation and fish and wildlife enhancement purposes.

"(c) No lands under the jurisdiction of any other Federal agency may be included for or devoted to recreation or fish and wildlife purposes under the authority of this section without the consent of the head of such agency; and the head of any such agency is authorized to transfer any such lands to the jurisdiction of the Secretary of the Interior for purposes of this section. The Secretary of the Interior is authorized to transfer jurisdiction over project lands within or adjacent to the exterior boundaries of national forests and facilities thereon to the Secretary of Agriculture for recreation and other national forest system purposes; and such transfer shall be made in each case in which the project reservoir area is located wholly within the exterior boundaries of a national forest unless the Secretaries of Agriculture and Interior jointly determine otherwise. Where any project lands are transferred hereunder to the jurisdiction of the Secretary of Agriculture, the lands involved shall become national forest lands: *Provided*, That the lands and waters within the flow

lines of any reservoir or otherwise needed or used for the operation of the project for other purposes shall continue to be administered by the Secretary of the Interior to the extent he determines to be necessary for such operation. Nothing herein shall limit the authority of the Secretary of the Interior granted by existing provisions of law relating to recreation or fish and wildlife development in connection with water resource projects or to disposition of public lands for such purposes.

"Sec. 8. Effective on and after July 1, 1966, neither the Secretary of the Interior nor any bureau nor any person acting under his authority shall engage in the preparation of any feasibility report under reclamation law with respect to any water resource project unless the preparation of such feasibility report has been specifically authorized by law, any other provision of law to the contrary notwithstanding.

"Sec. 9. Nothing contained in this Act shall be taken to authorize or to sanction the construction under the Federal reclamation laws or under any Rivers and Harbors or Flood Control Act of any project in which the sum of the allocations to recreation and fish and wildlife enhancement exceeds the sum of the allocations to irrigation, hydroelectric power, municipal, domestic and industrial water supply, navigation, and flood control, except that this section shall not apply to any such project for the enhancement of anadromous fisheries, shrimp, or for the conservation of migratory birds protected by treaty, when each of the other functions of such a project has, of itself, a favorable benefit-cost ratio.

"Sec. 10. As used in this Act—

"(a) The term 'project' shall mean a project or any appropriate unit thereof.

"(b) The term 'separable costs,' as applied to any project purpose, means the difference between the capital cost of the entire multiple-purpose project and the capital cost of the project with the purpose omitted.

"(c) The term 'joint costs' means the difference between the capital cost of the entire multiple-purpose project and the sum of the separable costs for all project purposes.

"(d) The term 'feasibility report' shall mean any report of the scope required by the Congress when formally considering authorization of the project of which the report treats.

"(e) The term 'capital cost' includes interest during construction, wherever appropriate.

"Sec. 11. Section 2, subsection (a) of the Land and Water Conservation Fund Act of 1965 (78 Stat. 897) is hereby amended by striking out the words 'notwithstanding any provision of law that such proceeds shall be credited to miscellaneous receipts of the Treasury:' and inserting in lieu thereof the words 'notwithstanding any other provision of law:' and by striking out the words 'or any provision of law that provides that any fees or charges collected at particular Federal areas shall be used for or credited to specific purposes or special funds as authorized by that provision of law' and inserting in lieu thereof 'or affect any contract heretofore entered into by the United States that provides that such revenues collected at particular Federal areas shall be credited to specific purposes'.

"Sec. 12. This Act may be cited as the 'Federal Water Project Recreation Act.'

And the House agree to the same.

WAYNE N. ASPINALL,
WALTER ROGERS,
JAMES A. HALEY,
JOHN P. SAYLOR,
JOE SKUBITZ,

Managers on the Part of the House.

HENRY M. JACKSON,
ALAN BIBLE,
QUENTIN N. BURDICK,
GORDN ALLOTT,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill, S. 1229, to provide uniform policies with respect to recreation and fish and wildlife benefits and costs of Federal multiple-purpose water resource projects, and for other purposes, submit this statement in explanation of the effect of the language agreed upon and recommended in the accompanying conference report. The language agreed upon is essentially the language of the House amendment except as herein noted.

REACQUISITION RIGHTS OF PRIOR LANDOWNERS

Section 3(b)(2) of S. 1229 relates to the situation where a construction agency has acquired lands to preserve the recreation and fish and wildlife enhancement potential of a project and there has been no interest by a local public body in developing such potential during the specified 10-year period. In these circumstances, the Secretary must make a decision with respect to further use or disposition of the land.

The language of the Senate-passed bill required the head of the construction agency to first offer the land for sale to the immediate prior owner at its appraised fair market value. If it were not disposed of in this manner within 90 days he would have had to determine whether the lands were to be put to other use or reported as excess to the General Services Administration for disposition.

The language of the House-passed bill provided that the head of the construction agency may (1) utilize the lands for any other lawful purpose within the jurisdiction of his agency, (2) transfer custody of the lands to another Federal agency for any lawful purpose within the jurisdiction of that agency, (3) lease the lands to any non-Federal public body, or (4) transfer the lands to the General Services Administration for disposition.

Both the Senate language and the House language provided that in no case shall the lands be used or made available for any purpose in conflict with the purposes for which the project was constructed. The House language provided, in addition, that preference be given to uses which promote the recreation and fish and wildlife potential.

The language agreed upon by the conference committee follows:

"Sec. 3. (b)(2) If, within ten years after initial operation of the project, there is not an executed agreement as specified in paragraph (1) of this subsection, the head of the agency having jurisdiction over the project may utilize the lands for any lawful purpose within the jurisdiction of his agency, or may offer the land for sale to its immediate prior owner or his immediate heirs at its appraised fair market value as approved by the head of the agency at the time of offer or, if a firm agreement by said owner or his immediate heirs is not executed within ninety days of the date of the offer, may transfer custody of the lands to another Federal agency for use for any lawful purpose within the jurisdiction of that agency, or may lease the lands to a non-Federal public body, or may transfer the lands to the Administrator of General Services for disposition in accordance with the surplus property laws of the United States. In no case shall the lands be used or made available for use for any purpose in conflict with the purposes for which the project was constructed, and in every case except that of an offer to purchase made, as hereinbefore provided, by the prior owner or his heirs preference shall be given to uses which will preserve and promote the recreation and fish and wildlife enhancement potential of the project or, in the absence thereof, will not detract from that potential."

This language is intended to require the head of the construction agency, if he has no authority to utilize the lands for some other needed and justified purpose, to first offer the lands for sale to the immediate prior owner or his immediate heirs at the appraised fair market value. If the lands are not disposed of in this manner within 90 days, the head of the construction agency may (1) transfer custody of the lands to another Federal agency that needs the lands and has authority to utilize them, (2) lease the lands to any non-Federal public body, or (3) transfer the lands to the General Services Administration for disposition. In the event the prior owner or his immediate heirs cannot readily be found, it is the intent of the conferees that 30-day notice be given by publication in a local newspaper or newspapers of wide circulation in the project area, the 90-day period to begin to run with the first publication of notice in this way. The lands can be used or made available for any purpose not in conflict with the purposes for which the project was constructed and, except in connection with an offer to sell to the immediate prior owner or his immediate heirs, preference must be given to uses which promote the recreation and fish and wildlife enhancement potential of the project.

RECREATION DEVELOPMENT AT EXISTING PROJECTS

Section 7 of S. 1229 as passed by the Senate authorized the Secretary of the Interior to construct and operate recreation facilities at projects heretofore authorized, provided the cost for such facilities for any one project does not exceed \$50,000.

The language of section 7(a) of the House-passed bill authorized the Secretary to construct and operate recreation facilities and acquire lands for such purpose at any existing project or project hereafter authorized, but, with respect to existing projects, no appropriation for land acquisition or development could be made until 60 legislative days after a report recommending such development had been submitted to the Congress and then only if neither the House nor the Senate Committee on Interior and Insular Affairs had disapproved such proposal.

In lieu of the language in the two bills, the conference committee adopted language making section 7(a) applicable only to projects heretofore constructed by or under the control of the Secretary of the Interior and providing authority for both the construction of recreation facilities and the acquisition of lands, provided the Federal cost for both development and acquisition at any one reservoir does not exceed \$100,000. The development could go forward only under an agreement with a local public body for cost-sharing and administration.

FEASIBILITY REPORTS ON RECLAMATION PROJECTS

Section 9 of S. 1229 as passed by the Senate contained language prohibiting the preparation by or under the authority of the Secretary of the Interior of any feasibility report on a water resource project unless it had been specifically authorized by law or unless such preparation had been specifically directed by either the Senate Committee on Interior and Insular Affairs or the House Committee on Interior and Insular Affairs.

There was no similar provision in the House-passed bill.

The conference committee agreed upon language in section 8 which requires prior approval by the Congress of any studies and investigations leading to the preparation of a feasibility report on a reclamation project. The term "feasibility report" is defined in section 10 to mean any report of the scope required by the Congress when formally considering authorization of a project. It does not include such preliminary studies as

normally go into the making of reconnaissance-grade reports:

EXTENT OF ALLOCATIONS TO RECREATION AND FISH AND WILDLIFE

The language of the House-passed bill contained a provision which, in effect, means that projects in which the sum of the allocations to recreation and fish and wildlife enhancement exceeds the sum of the allocations to the other project purposes should not be recommended for authorization and construction under Federal reclamation laws or under any Rivers and Harbors or Flood Control Act.

There was no similar provision in the Senate-passed bill.

The conference committee retained this language but exempted from its coverage any project for the enhancement of anadromous fisheries, shrimp, or the conservation of migratory birds protected by treaty, when each of the other functions of such a project has, of itself, a favorable benefit-cost ratio.

ACQUISITION OF LANDS FOR MIGRATORY WATERFOWL REFUGES

The provision in the House-passed bill placing a \$28 million ceiling on expenditures for lands acquired by construction agencies for the establishment of migratory waterfowl refuges in connection with water resource projects was retained by the conference committee. The conference committee wants it clearly understood that this is a limitation on expenditures and is not itself an authorization for land acquisition. The authorization for the appropriation of funds to acquire lands for these migratory waterfowl refuges will be considered on a case-by-case basis in connection with the authorization of individual water resource projects.

WAYNE N. ASPINALL,
WALTER ROGERS,
JAMES A. HALEY,
JOHN P. SAYLOR,
JOE SKUBITZ,

Managers on the Part of the House.

Mr. ASPINALL (interrupting the reading of the statement). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed.

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

There was no objection.

Mr. ASPINALL. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered. The conference report was agreed to. A motion to reconsider was laid on the table.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

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

There was no objection.

Mr. ASPINALL. Mr. Speaker, the conference report on S. 1229, which we present to the House for adoption today, represents important and far-reaching legislation relating to the future development and use of this Nation's water resources. It provides uniform rules and policies for the treatment of recreation and fish and wildlife benefits and costs in connection with Federal multiple-purpose water resources projects of the Department of the Interior and the Corps of Engineers.

For the first time, general authority is given for the inclusion of recreation and fish and wildlife enhancement as project purposes in Federal water projects on par with the other purposes, and general cost sharing and reimbursement policy for these purposes is established. Planning with respect to the recreation potential of any project must be coordinated with existing and planned Federal, State, or local recreation developments. Non-Federal administration of the recreation and fish and wildlife enhancement features of water projects is to be encouraged, and the full potential of any project for serving these purposes can be developed only under an agreement with a State or local public body whereby it will administer the area for either or both of these purposes and will advance or repay not less than half of the separable costs of the project allocated to these purposes. Separable costs are those specific costs incurred as a result of including recreation and fish and wildlife as purposes in the development.

Mr. Speaker, as indicated in the statement of managers on the part of the House, the language of the conference report is, for the most part, the language of the House-passed bill. The few differences which are explained in the statement are not of significance from the standpoint of the purposes and objectives of this legislation.

This legislation stems primarily from the ever-increasing outdoor recreation needs of this Nation and the demand of the American people that more recreation opportunities be provided. The Nation's needs which support and justify this legislation are the same as those which led to the enactment last year of the Land and Water Conservation Fund Act and those which have led to the authorization in recent years of several new national recreation areas and additions to the National Park System. They are the same needs which are the basis for the consideration in this Congress of several additional national recreation areas.

Mr. Speaker, I am particularly pleased that we are approaching final action on this important and forward-looking legislation because it brings to a successful conclusion the efforts of my committee over several years to provide full recreation use of our water resource development projects under policies and procedures which treat all projects alike. This legislation was initiated in the Committee on Interior and Insular Affairs by committee resolution in 1963.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. SAYLOR] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. SAYLOR. Mr. Speaker, I opposed this legislation when it was in the committee because it had neither a dollar limitation nor a percentage limitation on that part of the cost of a project which could be allocated to recreation and fish and wildlife enhancement. I

was particularly concerned about the joint costs of a project because in this legislation the cost sharing between the Federal Government and a local agency is limited to the separable costs—in other words, the costs added to a project specifically for these purposes. The joint costs are fully nonreimbursable. The project cost allocations are made on the basis of procedures approved by the President for the use of all departments and agencies but which have never been approved by the Congress. I preferred the bill approved by the committee last year which included a formula setting a ceiling on the joint costs that could be allocated to these purposes or a bill along the lines of that passed by the Senate several years ago which included a limitation of 15 percent of the project cost.

The language of the conference report is much improved on this matter of allocations because the preparation of feasibility reports on reclamation projects must hereafter be approved by the Congress. The Public Works Committee presently must give its approval to feasibility studies of the Corps of Engineers. Thus, the Congress will have the opportunity, at the time it considers authorization of the specific project studies and on the basis of information from the reconnaissance investigations and reports, to give direction to the construction agencies on the cost allocations.

Mr. Speaker, with this provision for adequate opportunity to consider each project feasibility study included in S. 1229, I support the conference report.

CALL OF THE HOUSE

Mr. PELLY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 151]		
Ashley	Hall	Powell
Baring	Harvey, Ind.	Pucinski
Bingham	Hawkins	Reid, N.Y.
Blatnik	Hays	Rivers, Alaska
Bonner	Holland	Rogers, Tex.
Bow	Karth	Roncallo
Brown, Calif.	Kee	Ryan
Brown, Ohio	Landrum	Thomas
Colmer	Leggett	Toll
Cramer	Lindsay	Wilson
Ellsworth	Long, Md.	Charles H.
Evans, Colo.	Morris	Zablocki
Green, Oreg.	Pool	

The SPEAKER. On this rollcall, 394 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1966

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9221) making appropriations for the Department of Defense

for the fiscal year ending June 30, 1966, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 4 hours, the time to be equally divided and controlled by the gentleman from California [Mr. LIPSCOMB] and myself.

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

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 9221, with Mr. KEOGH in the chair.

The Clerk read the title of the bill.

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

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Texas [Mr. MAHON] will be recognized for 2 hours, and the gentleman from California [Mr. LIPSCOMB] will be recognized for 2 hours. The Chair recognizes the gentleman from Texas.

Mr. MAHON. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, the gentleman from California [Mr. LIPSCOMB], the ranking minority member on the Subcommittee on Defense Appropriations, and I agreed that we would ask that general debate be limited to not exceeding 4 hours. It may be that not all of this time will be taken, but on a bill of this magnitude, embracing the eventual Government expenditure of \$45 billion, it ought to be possible for Members who wish to express their views on the measure to have an opportunity to do so.

I must say that in the old days there were times when several days and often more than a week was required for completion of general debate and the reading of appropriation bills; but there seems to be considerable accord in regard to most of the bills which have been presented this year, and the support which the Appropriations Committee has had from the House has been phenomenal.

Practically no changes have been made in the bills presented. I take this to be a very high compliment from the House to the Members who undertake to serve in this capacity.

A large portion of the budget is embraced in the \$45 billion bill before us today. This bill does not include military construction, which is handled by another subcommittee of the Committee on Appropriations chaired by the gentleman from Florida [Mr. SIKES], and with the gentleman from Michigan [Mr. CEDERBERG], as the ranking minority member. It does not include military foreign aid which is an integral part of the defense program. It does not include the appropriations for the Atomic Energy Commission. So, while this bill is big, it does not provide all of the appropriations for the year for national defense.

Everybody knows that we live in a dangerous world and that the future is

unpredictable. No one, not even the President, who is fortified by a staff of advisers and assistants, can foresee with certainty what the future holds in the field of international relations. Under these circumstances what, then, does the Congress do? We do just what we have been doing every year since the outbreak of the Korean war in 1950. We appropriate vast sums of money for the armed services of the United States. As a result of these actions by Congress, the President has been able to deal in international affairs throughout these years from a position of superior military strength. If there have been deficiencies in our foreign policy under Mr. Eisenhower, Mr. Kennedy, or Mr. Johnson, those deficiencies have not been a result of any inadequacy of funds to finance the mightiest military force in the world.

The vast sums of money which we have provided have not prevented armed conflict here and there about the world, but they have helped to prevent larger conflicts and greater hazard to the peace and security of this country and the world.

The tasks which we as a Congress have performed—and I take some pride in them, as I know you do—have been entirely worthwhile. I think we as a Congress, both Democrats and Republicans, have done a good job in the area of national defense. Our people have been patient with Congress, and Congress, as I said earlier, has been patient with the Committee on Appropriations in giving us the support and the understanding which has enabled us to secure the approval of these bills. During the last 10 years, for the items covered in this bill alone, the Congress has appropriated in excess of \$400 billion.

I do not anticipate any substantial contest over the pending bill. For one thing, the sums involved are so large and the programs are so complex that it is difficult to select an appropriate battleground.

If there is an issue—and I doubt that there is—it is over the question of whether or not the pending bill, which is based on estimates which were made prior to the escalation of the fighting in Vietnam, provides sufficient funds for the Defense Department. I say without hesitation that in my judgment the bill is adequate for the present. Likewise, I say without hesitation that the bill does not provide all of the funds that will most likely be needed for the entire fiscal year which this bill covers, the period from July 1, 1965, through June 30, 1966.

Officials of the Department of Defense are not able to itemize and specify and document and present to us, or predict, just what the additional cost may be in Vietnam. Nor is Congress able to itemize and specify the precise amounts that may be required.

We cannot even—and I see present the chairman of the great House Committee on Armed Services—we cannot even predict the required supplemental appropriations which will be necessary as a result of the passage by the Congress of pay increase bills for military and civil-

ian personnel. So it was obviously impossible for us to tailor this bill to meet unpredictable future requirements during the forthcoming fiscal year.

We could have provided the Department of Defense with a blank check for a few billion dollars but the blank-check procedure would erode, as I see it, the position of Congress in fiscal and in military affairs. When the requirements are clearer, a formal request will be presented to the Congress. We will evaluate the request and act promptly and in an orderly way. This seems to me to be in the public interest.

I would like to point out that while the amounts in the budget were agreed upon in the Defense Department prior to the escalation of the conflict in South Vietnam, we have in the bill this year, as we have had in previous years, a provision which enables the Department of Defense to spend the funds made available at whatever pace may be required. Under the Antideficiency Act, normally a department of Government must expend funds provided for the year on a quarterly basis, and may not exceed the rate of expenditures in one quarter over the pro rata part that would be assigned thereto.

On page 34 of this bill, we have section 512 which provides that the President could approve the expenditure of all the funds in this bill in one quarter, in 1 month, or in 1 week, so far as that is concerned, if required for the Nation's defense. This is a tremendous flexibility which we give, and I think this flexibility is desirable in this unpredictable world.

In this same section we also provide another authority in section 512(c). We provide that additional forces could be called into service and paid, even on a deficiency basis, in order to meet national defense requirements.

So, Mr. Chairman, with this flexibility and safeguard, which in my judgment the committee has wisely approved, I believe we can have even greater confidence in the overall adequacy of the bill which is pending before us today.

Mr. Chairman, on July 1 the Defense Department will have on hand for purposes generally covered in this bill an unexpended carryover from all previous years of the total sum of about \$29 billion. Included in that sum is most of the \$700 million which we provided for the southeast Asian conflict a few weeks ago. When the sum proposed in the pending bill is added to the unexpended-balance a total sum of about \$75 billion will be available for the forthcoming fiscal year.

Mr. Chairman, I do not want to oversimplify this—the carryover funds of about \$29 billion are mostly committed or obligated. Approximately \$9 billion is not legally obligated. The unexpended funds were provided for specific purposes in the area of research and development, and also in procurement. They have not been expended primarily because the items being procured have not been delivered and the payment has not been made thereon. So, Mr. Chairman, this does not mean that these funds can be freely diverted to any purpose.

This, in a general way, covers the bill. But I would like to talk to the members of the Committee more specifically about the sums that are carried in this bill for various purposes.

Mr. Chairman, the bill this year is \$2.5 billion less than last year. This may cause some apprehensions on the part of those who do not understand the situation.

First of all, let me say that appropriations for 1965, as shown in the committee report table, include the \$700 million emergency fund for southeast Asia just recently enacted. The appropriations for 1965 include approximately \$235 million, supplemental to the original 1965 appropriations, to cover the cost of military and civilian pay increases enacted since the 1965 regular annual bill.

Since the calendar year 1961, the military strength of the United States has been tremendously increased by the large annual appropriations enacted. It should be clear that this strength is still increasing. Stockpiles are increasing, inventories of aircraft are increasing and these increases continue in spite of the necessity to make use of forces and our supplies and equipment in peacekeeping operations of varying sizes in several parts of the globe.

In addition to the tremendous increases which have been made in procurement of tactical aircraft, and in the procurement of ordnance, vehicles, and so forth over this period of time; tremendous increases have been made also in the strength of our nuclear intercontinental ballistic missile force. I might point out that in the appropriation this year for "Missile procurement, Air Force," the amount of funds provided is nearly \$1 billion less than was appropriated under that heading for the fiscal year 1965. This reflects virtual completion of the large intercontinental ballistic missile deployment and the substitution, therefore, of basic improvements which, while adding greatly to the capability of the force, requires significantly less amounts of money.

I might point out also that appropriations for procurement of equipment and missiles in the Army are significantly lower (about \$450 million) than were made in 1965. This does not indicate any culmination of a large program but rather illustrates the carryover of funds available from prior years.

So, Mr. Chairman, it was possible for us to recommend the appropriation of less money this year than last year. However, let me point out that for the past 4 years, on the average, we have appropriated in regular annual acts \$9 billion a year more for defense than was appropriated during the previous 4 years. This shows something of the magnitude of the effort of the Congress to make us more readily able to defend the United States.

Mr. Chairman, while this bill is below last year's, it is still \$7 billion above the average of Defense appropriation bills for the 4 years prior to the fiscal year 1962.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MAHON. Mr. Chairman, I yield myself 10 additional minutes.

The CHAIRMAN. The gentleman from Texas is recognized for 10 additional minutes.

Mr. MAHON. Mr. Chairman, I shall put in the RECORD in connection with the adequacy of the pending bill, the letter of June 9 from the Secretary of Defense in regard to the adequacy of the pending Defense budget. Copies of the letter are available at the committee table.

THE SECRETARY OF DEFENSE,
Washington, D.C., June 9, 1965.

Hon. GEORGE MAHON,
Chairman, Committee on Appropriations,
House of Representatives.

DEAR MR. CHAIRMAN: In your letter of June 4, 1965, you request my views as to the present adequacy of the fiscal year 1966 Defense budget in light of the developing situation in southeast Asia and the \$700 million supplemental to the fiscal year 1965 budget which was approved last month.

To assess the adequacy of any Defense budget, we should keep in mind that it must provide for several levels of requirements: (1) Initial equipment for the forces and initial stocks to fill the pipelines; (2) peacetime consumption; (3) wartime consumption. The requirements for the first two categories can be determined with a relatively high degree of precision and, with respect to them, I can assure you again that our fiscal year 1966 budget request, submitted last January, is still fully adequate.

The requirements for the third category, however, are completely dependent on whether and to what extent our forces actually engage in combat during the fiscal year for which we are budgeting. Since we have no way of knowing, 6 to 18 months before the fact, what the situation will then be, we must provide for a very wide range of contingencies; and, indeed, we do. But our war reserve requirements are not based on any one or two contingency plans but rather on a composite of all of the plans. In other words, our objective is to provide sufficient war consumption stocks to support all of our forces in combat for sustained periods of time under a variety of different circumstances. As you know, we have substantially increased our procurement of war consumables during the past 4 years and we are now in much better shape than we were in 1960 or 1961.

However, the purpose of the war reserve stocks is not to support our forces in combat indefinitely, but rather to tide them over the period until additional supplies can be delivered from new production. That is why we call them "reserve" stocks. Therefore, as soon as we actually start to consume the war reserve stocks in combat in any significant quantities, we must promptly provide for their replacement so that at all times we have adequate stocks on hand to support our forces in combat until production can be expanded sufficiently to meet our wartime consumption requirements. If it were possible to forecast with some reasonable degree of precision all combat operations in which our forces would be engaged over the next 12 months, we could budget in advance for actual combat consumption. But we cannot forecast with such precision, so instead we depend on a general war reserve which we replace as we actually consume.

Thus, the fact that we have requested and the Congress has appropriated additional fiscal year 1965 funds for the procurement of such a typical war reserve requirement as ordnance and ammunition, in no way means that the original fiscal year 1965 budget request or the amounts originally appropriated for that fiscal year were inadequate. Such supplemental requirements are inherent in the way in which we compute our war reserve requirements in the first place. By the same token, a fiscal year 1966 supplemental may

be required next year—depending on future developments in southeast Asia and possibly elsewhere in the world. But again, this does not mean that the fiscal year 1966 budget request now before the Congress is inadequate. It is adequate at the present time. But, if we draw on our war reserves in any significant amounts during fiscal year 1966, we will have to replace them in order that we always have sufficient stocks on hand to support our forces in combat until additional supplies can be produced and delivered.

With regard to such major end items as aircraft, the Defense Department, at least since the end of World War II, has not attempted to provide war reserves. I understand that this possibility was considered during the Korean war but was rejected as being infeasible because of rapid obsolescence and unnecessarily excessive cost. We do, however, procure additional aircraft to replace peacetime attrition. If combat losses exceed the peacetime attrition rates by any significant amount then eventually we have to take steps to replace the extra losses caused by combat.

But, as I pointed out to your committee in discussing the \$700 million 1965 supplemental, our aircraft losses in southeast Asia have been quite small in relation to current production. Nevertheless, we did include in the 1965 supplemental some funds for aircraft, principally for the advance procurement of long lead time components so that we would be in a position to increase promptly the production of selected aircraft if that should become necessary. If we do decide to increase the presently planned production rates for Navy and Air Force aircraft, additional new funds may be needed before the end of fiscal year 1966. I believe this is the most practical way to deal with combat losses of aircraft under the present circumstances.

One final point. When our forces are actually engaged in combat, other additional expenses also arise—for the transportation of men and equipment, for the provision of facilities in the areas in which the forces are required to operate, for higher rates of operation (i.e., steaming hours and flying hours), and to a lesser extent for special pay and rations. The 1965 supplemental includes funds for most of these purposes, and depending on how the situation in southeast Asia may develop, additional funds for these same purposes may be required in fiscal year 1966. But it seems to me that these additional requirements might best be submitted to the Congress later in the fiscal year, when we will be in a position to determine them with greater precision.

To summarize, the fiscal year 1966 defense budget request now before the Congress would provide all the funds we need at this time to continue the strengthening of our overall military posture and to carry out whatever combat operations our forces are called upon to perform during the next 12 months. The special transfer provisions contained in the bill and the reprogramming arrangements approved by the committees provide sufficient flexibility to meet all foreseeable requirements until the Congress reconvenes next January and can act on a possible fiscal year 1966 supplemental.

Sincerely,

ROBERT S. McNAMARA.

I would point out that we have gone above the budget request in providing for certain programs. We have provided 133.6 million above the budget for the purpose of funding two additional nuclear-powered attack submarines. The budget requested a total of four. We propose financing a total of six submarines, two above the budget.

No provision was made in the budget for a nuclear-powered surface ship for

the Navy. We have included \$20 million for the long leadtime items for a nuclear-powered frigate, a surface ship on which construction would start next year. This would enable the Navy to let contracts for this program in an orderly way.

We are providing in this bill the sum of about \$57 million more than was requested for the purpose of enabling the Department of Defense to carry on the Army National Guard and Reserve programs as they are presently being carried on. The Defense Department has made a proposal for a consolidation of the Army Reserve and National Guard. We do not undertake to resolve that issue, and it is quite an issue, but we have provided funds to enable these programs to continue at the present pace for the next fiscal year if steps are not taken to reorganize them prior to the next fiscal year. Our report specifically states that "the committee, by its action, does not wish to imply that it has taken a position either for or against the proposed consolidation of the Army Reserve components."

Of course, we provide for the defense space program as an integral part of our national space program. About \$6½ billion is budgeted for the national space program in the coming fiscal year; \$1.670 billion of this is under the Department of Defense. About \$1.2 billion of the \$1.6 billion in the defense space program is research and development funding. This constitutes about 20 percent of our total defense research and development effort and represents the single largest development program grouping.

Critics of the defense space program apparently must refer only to military manned space programs. We are currently employing many operational unmanned space systems. We have operational space systems in navigation, we have two satellite interceptor systems and a satellite system for the detection of nuclear explosions in space. There are also military space programs which are highly classified.

The information available to me does not indicate that there is a lag in this country's military use of space as compared with the Soviet Union. Our military satellite launching program substantially exceeds that of the Soviet's. My conclusion is that today we seem to enjoy a distinct technological and operational lead in military space.

We have provided in the current bill the customary funds for operation and maintenance, for the pay of military personnel, for research, and development, and procurement. We have provided \$7 million above the budget estimate for development of the long-range bomber of the future.

We have tried to include all of the funds necessary for these purposes. Of course, if the war in South Vietnam continues to escalate, additional funds will undoubtedly be requested, and will be provided.

There have been losses, as you know, of both men and machines in South Vietnam. During the last 4½ years in southeast Asia, we have lost about 320

aircraft and we have added to our inventory during the last 4½ years nearly 7,000 additional aircraft, including both rotary wing and fixed wing aircraft.

Our losses have certainly not been very great in comparison to the overall capabilities which we have, but we have a reserve which must be kept at a certain level. It is for that reason it may very

well be necessary to provide additional funds later.

Mr. Chairman, this very broadly and generally covers the provisions in the bill. I shall insert in my remarks the table on page 2 of the report, giving a breakdown as between the services, and certain other pertinent information which will be of interest to all Members:

Summary of appropriations

Title	Appropriations, 1965 (to date)	Budget estimates, 1966	Recommended in bill, 1966	Bill compared with—	
				Appropriations, 1965	Budget estimates, 1966
Title I—Military personnel.....	\$14,666,000,000	\$14,618,100,000	\$14,656,600,000	—\$9,400,000	+\$38,500,000
Title II—Operation and maintenance.....	12,445,878,000	12,510,244,000	12,547,144,000	+101,266,000	+36,900,000
Title III—Procurement.....	13,422,047,000	11,411,700,000	11,390,000,000	—2,032,047,000	—21,700,000
Title IV—Research, development, test, and evaluation.....	6,448,520,000	6,708,800,000	6,594,500,000	+145,980,000	—114,300,000
Emergency fund, southeast Asia (Public Law 89-18).....	700,000,000	-----	-----	—700,000,000	-----
Total.....	47,682,445,000	45,248,844,000	45,188,244,000	—2,494,201,000	—60,600,000
Distribution of appropriations by organizational component:					
Army.....	11,412,659,000	10,961,403,000	10,963,903,000	—448,756,000	+2,500,000
Navy.....	14,326,271,000	13,932,600,000	13,942,200,000	—384,071,000	+9,600,000
Air Force.....	18,608,801,000	17,602,100,000	17,519,600,000	—1,089,001,000	—82,500,000
Defense agencies/OSD.....	3,334,914,000	2,752,741,000	2,762,541,000	—572,373,000	+9,800,000
Total, Department of Defense.....	47,682,445,000	45,248,844,000	45,188,244,000	—2,494,201,000	—60,600,000

SCOPE OF THE BILL

The amounts recommended in the accompanying bill provide for the continuation of, and an increase in, the military strength of what is already the strongest military establishment that has been maintained in the peacetime history of the United States.

The committee considered budget estimates totaling \$45,248,844,000 and recommends the appropriation of \$45,188,244,000. The amount recommended is \$60,600,000 less than the amount requested in the budget and \$2,494,201,000 less than the \$47,682,455,000 appropriated to date for fiscal year 1965. Appropriations to date for fiscal year 1965 include \$700 million recently enacted (Public Law 89-18) under the heading of "Emergency Fund, Southeast Asia."

Adjustments recommended by the committee include program increases above the budget for the Reserve components of the Army, for shipbuilding and conversion in the Navy, and for an advanced manned strategic bomber, which together with other lesser increases total \$208,400,000 above the estimates. These increases are more than offset by various financing adjustments totaling \$269 million. The most important of these decreases is that of \$114,300,000 (net) in research and development made as a result of prior congressional action on the authorization act (Public Law 89-37).

ADEQUACY OF THE ESTIMATES

It will be understood that the regular annual budget estimates for fiscal year 1966 were prepared and largely presented to the Congress prior to the recently expanded level of activity in South Vietnam and prior to the participation of U.S. troops in the difficulties in the Dominican Republic. The President's request for, and the prompt enactment of, a \$700 million 1965 supplemental for southeast Asia has sharply focused attention on the adequacy of the fiscal year 1966 Defense program proposed by the President last January. The committee, of course, in its scrutiny of the budget estimates, not only has the responsibility of seeking out any apparently unwise or needless expenditure, it must also seek to ensure that the proposed programs are fully ade-

quate to meet all the requirements of national defense.

The situation is not materially different from that which existed in the consideration of the budget request for the fiscal year 1952, when we were engaged in war in Korea. At that time, Admiral Sherman, then Chief of Naval Operations, said (on May 8, 1951):

"Last December when the preparation of * * * the estimates for fiscal year 1952 was commenced, it was impracticable to determine when the hostilities in Korea might end. It was impracticable to estimate very far ahead the tempo of combat and consequent fiscal requirements. * * * it was decided that the estimates for the fiscal year 1952 would provide only for a base—a year of steady, sustained expansion * * *. This will, of course, make it necessary to submit supplementary estimates to cover the additional costs arising from combat operations as their intensity and duration are determined." (H. Rept. 790, 82d Cong., p. 3.)

The budget requests for the fiscal year 1966 contained no funds specifically programmed to support what are now the current rates, or any future increased rates of operations in Vietnam or in fact in any other specific area of the world. To judge the overall of Defense programs it is useful to divide the total program into three categories: (1) The general purpose forces, those concerned primarily with military actions short of general nuclear war, i.e., limited war and counterinsurgency operations; (2) the strategic offensive and defensive forces, those concerned primarily with general nuclear war; and (3) the research and development program which forms the basis for the future adequacy of our military forces.

Limited war forces

During the course of its hearings, the committee carefully explored all of these categories of our military program. Regular annual appropriations for Defense since 1962 have averaged \$9 billion per year more than the average of regular annual Defense appropriation acts during 1958-61. This higher rate of funds has resulted in military resources increases, from June 30, 1961, to June 30, 1965, in these categories.

Because of the rapidly changing situation in southeast Asia, the general purpose forces program was examined with special reference to its adequacy, not just to meet requirements in that part of the world, but elsewhere. This, of course, is not a new interest. For many years the committee has been concerned with our preparations for fighting limited wars and, on a number of occasions during the 1950's, proposed increases in the amounts requested by the executive branch for this purpose. During the last 4 years, budgets have proposed, and the committee has supported, very substantial increases both in the size of the general purpose forces and in procurement for their support.

For example, a total of \$5.8 billion was appropriated for ordnance, vehicles and related equipment during the 3 fiscal years 1962-64 compared with \$2.3 billion in the 3 years preceding. As a result, inventories have been substantially modernized and built up, e.g., the tonnage of modern non-nuclear aircraft ordnance on hand will have increased from 1961 through 1966 eight-fold in the Air Force and four-fold in the Navy and Marine Corps.

Procurement of tactical aircraft for the Air Force has increased from about \$360 million in fiscal year 1961 to about \$1 billion in the current fiscal year and an additional \$1.1 billion is included in the present bill. Over the 1962-65 fiscal period, procurement of Navy and Marine Corps aircraft has averaged about \$2 billion annually compared with less than \$1.8 billion in 1961, and almost \$2.2 billion is recommended for 1966. Aircraft procurement for the Army increased from about \$180 million in fiscal year 1961 to an average of about \$370 million in the next 3 years and \$345 million is recommended in the bill for 1966. Procurement of Army helicopters alone rose from 286 in 1961 to 935 in 1965 (not counting those financed by the 1965 Supplemental) and this bill provides for an additional 1,008. The number of Air Force tactical squadrons has increased from 55 to 83, or 51 percent, in the last 4 years and will increase still further in the coming year. Army and Marine Corps helicopter inventories have risen 55 and 69 percent, respectively, since fiscal year 1961, and they, too, will continue to increase during 1966.

Missile procurement for the general purpose forces has averaged about \$125 million a year more in the 1962-65 period than the \$625 million in fiscal year 1961. With stocks of such missiles now substantially rebuilt (e.g., the requirements for the air-to-surface Bullpup and the air-to-air Sidewinder have been met with prior year procurements), an additional \$440 million is provided in the present bill.

Shipbuilding and conversion for the Navy's general purpose forces has increased from about \$900 million in fiscal year 1961 to over \$1.7 billion in fiscal year 1965 and approximately the same amount is included in the present bill.

Since 1961, the vastly increased procurement of airlift aircraft has about doubled the airlift capability and under present plans it will more than double again in the next 4 years. The procurement of airlift aircraft increased from about \$200 million in 1961 to an average of about \$440 million a year in the 1962-65 period and the present bill provides about \$400 million for fiscal year 1966.

These very substantial increases in forces and inventories were designed to build up our capability to meet a wide range of possible threats other than nuclear warfare. That capability is now, indeed, a reality. Our war reserve stocks and equipment levels are presently such that all our general purpose forces would be able to engage in combat for sustained periods of time. The question has been asked, however: If we do

have such a capability, why was a fiscal year 1965 supplemental needed since, clearly U.S. forces committed to the conflict in southeast Asia represent but a very small fraction of our total strength? The answer lies in the nature of the way the Defense Department computes its requirements for supplies and equipment.

Essentially, such stocks are procured to meet three objectives: (1) Initial stocks for the forces and the pipeline; (2) peacetime consumption; and (3) wartime consumption. The first two objectives lend themselves to rather precise computation and Secretary McNamara has very recently again assured the committee that the amounts included in the original budget request for fiscal year 1966 remain fully adequate for these purposes.

For the third objective, however, requirements cannot be so easily computed in advance since they will depend on whether and to what extent U.S. forces actually become involved in combat. Because budgets must be prepared 6 months to a year and half beforehand, the Department must provide in its procurement plans for a wide range of contingencies. It does this by computing the war reserve requirements on a composite of all the various contingency plans with the general objective of having enough supplies and equipment to support all the general purpose forces in combat for extended periods of time.

War reserves are not intended to be large enough to support the forces in combat indefinitely but only until stepped-up production can catch up with wartime consumption rates. When stocks are consumed in combat in any significant quantities, they should be promptly replaced. When this happened in southeast Asia, the President promptly and properly requested funds to maintain the planned war reserve levels. Nor is there any assurance that supplemental appropriations will not also be required next year. They very probably will be, but this will depend on the course of events in southeast Asia and elsewhere in the world in the coming months.

This does not mean that the fiscal year 1966 budget estimate was or is inadequate, any more than the 1965 budget was when it was initially proposed. As long as the present general authority and the special transfer authorities included in the bill are available to handle short-term situations, there seems to be no reason or need for further measures at this time. As previously mentioned, Secretary McNamara, in response to a very recent inquiry from the committee, has assured that:

"The fiscal year 1966 Defense budget request now before the Congress would provide all the funds we need at this time to continue the strengthening of our overall military posture and to carry out whatever combat operations our forces are called upon to perform during the next 12 months." (Letter to Chairman MAHON, June 9, 1965.)

Thus, for the immediate future, the funds provided in this bill, together with the residue of the 1965 supplemental, should provide adequately for the general purpose forces. The specific forces to be supported and the weapons, equipment, and supplies associated with them are described elsewhere in this report.

Adequacy of other forces and programs

The adequacy of the forces and programs designed to meet our general, nuclear war needs must be judged against the missions they are designed to fulfill, i.e., (1) to deter a deliberate nuclear attack upon the United States and its allies by maintaining a clear and convincing capability to inflict unacceptable damage on an attacker, even were he to strike first; and (2) in the event deterrence should fail, to limit damage to our people and our industrial capacity. In his presen-

tation to the committee, the Secretary presented a very detailed analysis of the adequacy of the recommended strategic offensive and defensive programs with respect to achieving these two capabilities. That analysis showed that given the likely enemy threat through the early 1970's and the most likely planning factors, even after absorbing his first strike, our presently authorized missile force alone, could cause an enemy to suffer casualties that any prudent man must consider unacceptable. The buildup in these forces has been as striking as that of the general purpose forces. For example, the number of nuclear warheads in strategic alert forces has increased from 850 on June 30, 1961, to 2,700 estimated as of June 30, 1965. Between those two dates the megatonnage of alert force weapons has increased 200 percent. Clearly, our forces are adequate to the task of nuclear deterrence.

The question of adequacy for the third broad category of the defense program, research and development, is by its very nature, more difficult to answer with certainty. Our ability to perceive future requirements is limited and many of our undertakings in this area must be viewed as insurance premiums, hedges against possible future developments that may never occur. Where contingencies exist and can be identified, we must provide for them; the programs supported by this bill do so provide, e.g., the component development work needed to permit the development and deployment of a follow-on manned strategic bomber aircraft. Overall, spending for defense research, development, test, and evaluation over the past 4 years has averaged more than 50 percent higher than the previous 4 years. At this high level, the committee believes that such work will continue to be adequately supported.

The objective of the committee, and of the President, and of the Secretary of Defense is the maintenance of the country's military strength. Today the military might of the United States is great and growing. It is the view of this committee that it should continue to grow. The amounts recommended in the accompanying bill will, so far as can be foreseen, continue to maintain the military strength at the high level to which it has been built over the last several years. As the Secretary said:

"Our defense program and budget is based solely on our own national security requirements * * *."

"The decline in our own defense expenditures from a high of \$51.2 billion in fiscal year 1964 to an estimated \$49 billion in fiscal year 1966 simply reflects the substantial completion of the buildup started in 1961 * * *."

"In developing the fiscal year 1966-70 program and the fiscal year 1966 budget, I have carefully reviewed all the proposals originating from the Joint Chiefs of Staff, the military departments, and other defense agencies. This process began nearly a year ago, and through a step-by-step review of the 1966 and prior year programs it was possible to reduce the fiscal year 1966 budget request from about \$56.5 billion in new obligational authority as proposed by the services and defense agencies, to approximately \$48.6 billion, a reduction of about \$8 billion. * * * While our fiscal year 1966 budget request does not include all of the forces or force modernizations recommended by the military departments and individual service chiefs, the Joint Chiefs of Staff agree that the program supported by this budget will increase our overall combat effectiveness and will provide effective forces in a high state of readiness for the defense of the vital interests of the United States." (Hearings, pt. 3, p. 5.)

In this connection, it should be noted that historically the Budget requests of the military services have been, except where expressly precluded by the imposition of cell-

ings on initial requests, consistently higher than the amounts allowed in the President's budget. This situation is undoubtedly a true and proper reflection of the action of the Chief Executive in allocating priorities, among and between functions, for the use of the Nation's resources. It would be futile to attempt to argue that we should give every department head every dollar he thinks he might be able to use. The following table is illustrative of the point:

[In millions of dollars]

Fiscal year	Service requests	President's budget
1952	94,385	60,742
1955	37,552	30,942
1958	45,231	37,893
1960	48,439	40,811
1964	63,931	51,281
1966	56,290	47,395

UTILIZATION OF MILITARY RESOURCES

As noted above, the Budget does not contain funds specifically programmed for the current or increased rates of military activities in southeast Asia. Obviously, the rate at which such activities are being pursued varies from time to time and has an effect on the rate of accomplishment of the normal, peacetime, routine military operations of training, exercises, maneuvers, storage, issue, and maintenance of military hardware and so forth. For example, of the funds budgeted and appropriated for training exercises in the current fiscal year, approximately \$85 million has been reallocated for use in connection with active military engagements in southeast Asia and operations in the Dominican Republic. It is possible that a similar situation will exist in fiscal year 1966, and in anticipation, the committee has identified areas where funds budgeted for routine, normal functions may be better applied to crisis areas.

Of military weaponry in use and being lost in Vietnam, the larger and more costly are aircraft, both fixed and rotary wing. Secretary McNamara placed this loss in perspective when he testified:

"The aircraft losses to date have been very small, and particularly small in relation to our inventory and in relation to our procurement. For example, for the past 4½ years the total number of tactical fighters, bombers and reconnaissance aircraft lost in southeast Asia is 157, and during that same 4-year period we have taken delivery of 3,500. The total helicopter loss in 4½ years is 152, and we have taken delivery in that period of 3,276 helicopters. Our inventories of tactical aircraft today are very large in relation to these losses. For the types of tactical aircraft I have just referred to, in the active forces, excluding reserves, we have something on the order of 5,500 active tactical aircraft compared to the 157 we have lost in our 4-year period. In terms of helicopters we have in the active forces in the Navy and Marines and Army alone, excluding Air Force, about 5,200 helicopters compared to the loss of 152." (Hearings, Supplemental Defense, 1965, p. 3.)

Rates of usage of military hardware are significant, but should be related to inventory. For example, Secretary McNamara said:

"In the case of ammunition, bombs, rockets, artillery ammunition, and small arms ammunition, the Congress has, as you know, appropriated substantial sums for this purpose in the last 3 or 4 years, sums in excess of previous levels. The ammunition inventories have been building up. That is particularly true of modern ordnance for both the Air Force and Navy aircraft. But the consumption rates of these items are so great at the present time and have increased so dramatically in the last 90 days, that we think it will be wise to increase our procure-

ment of ammunition." (Hearings, Supplemental Defense, 1965, p. 3.)

A majority of the committee felt that it would not be feasible, practicable, or appropriate to provide funds above the budget estimate for routine procurements of replacement military goods in the absence of any departmental calculations of requirements, production rates, inventories, and so forth, in short, a supplemental budget estimate. Appropriations to finance any such items of urgent need continue available from prior years in staggering totals, for example the budget estimate in January indicated \$30,-529,379,000 total unexpended carryover into fiscal year 1966, of which a total of \$9,624,-627,000 would be unobligated. While it is true that most of these funds are committed to specific programs, it is also true that substantial changes in priorities can be accom-

plished without the necessity for immediate additional appropriations.

It cannot be denied that, at some point in time—and this point may differ with each gun, round of ammunition, aircraft, etc.—and at some tempo of utilization, additional funds may be needed to keep the overall military strength of the United States on the program of modest annual increments of increase which now prevail following essential completion of the major buildup begun in 1961. As was stated in connection with the recent enactment of the Emergency Fund, southeast Asia:

"The authorities in existing law could have been utilized in lieu of the proposed appropriation. Supplies and equipment could have been diverted from other, less active areas and replaced at a later date.

"Although we probably would not adversely affect our overall military strength

by delaying in a minor way the continuing increase in military inventories, the committee believes a position of plenty—militarily—is to be desired in the light of world conditions." (H. Rept. 286, 89th Cong. p. 2.)

FORCES TO BE SUPPORTED—BY ORGANIZATION

This section of the report outlines the military forces and programs to be supported by organizational component in contrast to the preceding discussion which was organized by major military programs.

Total active duty military personnel strength for the end of fiscal year 1966 is estimated at 2,640,266—15,742 fewer than estimated for the end of fiscal year 1965 and 44,895 fewer than at the end of fiscal year 1964. The detailed strength levels are shown in the following table:

Active duty military personnel strengths (excluding reimbursables)

[In thousands]

	Actual strength		Fiscal year 1965, planned		Fiscal year 1966, estimate	
	June 30, 1964	Dec. 31, 1964	Average	End	Average	End
Army:						
Officers.....	110.3	110.9	111.0	110.5	111.9	110.7
Enlisted.....	860.3	850.6	853.9	850.3	847.2	839.6
Cadets, USMA.....	1.9	2.7	2.5	2.5	2.7	2.7
Total, Army.....	972.4	964.2	967.4	963.3	961.7	953.1
Navy:						
Officers.....	76.3	77.5	76.9	76.8	76.8	77.3
Enlisted.....	586.0	583.4	588.7	592.3	597.9	602.7
Midshipmen, USNA.....	4.2	3.9	4.0	4.2	4.0	4.2
Aviation cadets.....	.7	.8	.7	.8	.7	.8
Total, Navy.....	667.2	665.6	670.3	674.1	679.5	684.8
Marine Corps:						
Officers.....	16.8	17.1	17.1	17.3	17.5	17.6
Enlisted.....	172.6	171.0	172.6	172.5	173.7	175.4
Aviation cadets, MARCADS.....	.4	.4	.3	.2	.2	.2
Total, Marine Corps.....	189.8	188.5	190.0	190.1	191.4	193.2

Department of the Army

For the military functions (excluding civil defense, family housing, and military construction) of the Army, the budget proposes \$10,961,403,000 in appropriations, the trans-

fer of \$240 million from the revolving funds in lieu of new appropriations. The committee recommends \$10,963,903,000 in appropriations and the transfer of \$240 million from the revolving funds. The recommended amount

is \$448,756,000 below the fiscal year 1965 appropriations and \$2,500,000 above the budget request.

DEPARTMENT OF THE ARMY

Appropriation summary comparison

[In millions of dollars]

Appropriation title	Appropriated, 1965	Budget estimate, 1966	Recommended in bill, 1966	Bill compared with—	
				1965	Estimate, 1966
Military personnel.....	1 4, 221. 0	1 4, 114. 9	1 4, 108. 4	-112. 6	-6. 5
National Guard and Reserve personnel.....		459. 8			-459. 8
Reserve personnel.....	242. 9		238. 6	-4. 3	+238. 6
National Guard personnel.....	277. 5		266. 2	-11. 3	+266. 2
Operation and maintenance.....	3, 482. 9	3, 379. 1	3, 475. 2	-7. 7	+96. 1
Operation and maintenance (liquidation contract authority).....		54. 0	54. 0	+54. 0	
Operation and maintenance, Army National Guard and Reserve.....		292. 0			-292. 0
Operation and maintenance, Army National Guard.....	191. 4		208. 8	+17. 4	+208. 8
National Board for the Promotion of Rifle Practice.....	. 5	. 5	. 5		
Procurement of equipment and missiles.....	1, 656. 4	1, 223. 1	1, 205. 8	-450. 6	-17. 3
Research, development, test, and evaluation.....	1, 340. 0	1, 438. 0	1, 406. 4	+66. 4	-31. 6
Total.....	11, 412. 7	10, 961. 4	10, 963. 9	-448. 8	+2. 5

∇ In addition, transfers from working capital funds: 1965—\$85,000,000; 1966—\$240,000,000; 1966 estimate and recommended includes reappropriation of \$12,300,000.

Active duty military personnel strengths (excluding reimbursables)—Continued

[In thousands]

	Actual strength		Fiscal year 1965, planned		Fiscal year 1966, estimate	
	June 30, 1964	Dec. 31, 1964	Average	End	Average	End
Air Force:						
Officers.....	133. 0	134. 3	132. 8	128. 9	128. 7	127. 7
Enlisted.....	719. 7	705. 5	709. 7	696. 7	688. 7	678. 3
Cadets, USAFA.....	2. 8	2. 6	2. 7	3. 0	2. 8	3. 1
Aviation cadets.....	. 2		. 1			
Total, Air Force.....	855. 8	842. 4	845. 2	828. 6	820. 3	809. 1
Total, Department of Defense:						
Officers.....	336. 4	339. 8	337. 7	333. 5	334. 9	333. 4
Enlisted.....	2, 338. 7	2, 310. 4	2, 324. 8	2, 311. 8	2, 307. 5	2, 296. 0
Officer candidates, cadets, and midshipmen.....	10. 1	10. 5	10. 3	10. 6	10. 5	10. 9
Grand total.....	2, 685. 2	2, 660. 7	2, 672. 8	2, 656. 0	2, 652. 9	2, 640. 3

NOTE.—Detail may not add to totals due to rounding.

Summary of major forces, fiscal years 1964-66

	Actual June 30,	Planned	
		June 30, 1965	June 30, 1966
Divisions.....	16	16	16
Armored cavalry regiments.....	4	4	4
Brigades.....	7	7	7
Missile commands.....	2	2	2
Special forces groups.....	7	7	7
Missile battalions.....	78¼	76¾	77¼
Aircraft inventory—Active.....	6, 338	6, 899	7, 824
Active duty military personnel.....	972, 445	963, 273	953, 094
Reserve component personnel (paid drill training).....	(650, 070)	(655, 000)	(650, 000)
Army National Guard.....	381, 546	385, 000	} 650, 000
Army Reserve.....	268, 524	270, 000	

1. The bill recommended by the committee would provide for Army forces of essentially the same size and character as the current fiscal year with 16 divisions, 4 armored cavalry regiments, 7 brigades and 2 missile commands. The provisional air assault division formed to test certain air mobility concepts has been disbanded this year following completion of the required exercises.

The number of Army aircraft will continue to increase during fiscal year 1966 reflecting the delivery of planes funded in prior years. Large quantities of Hawk, Honest John, Pershing, and antitank missiles; tactical and support vehicles; communications equipment; and a wide variety of other items have also been procured since 1962 and are entering the inventory.

DEPARTMENT OF THE NAVY

Appropriation summary comparison

[In millions of dollars]

Appropriation title	Appropriated, 1965	Budget estimate, 1966	Recommended in bill 1966	Bill compared with—	
				1965	Estimate, 1966
Military personnel, Navy.....	1,307.4	1,305.0	1,305.0	-19.0	-----
Military personnel, Marine Corps.....	275.5	274.9	274.9	-.6	-----
Reserve personnel, Navy.....	99.2	105.1	105.1	+5.9	-----
Reserve personnel, Marine Corps.....	430.9	33.0	33.0	+2.1	-----
Operation and maintenance, Navy.....	3,178.5	3,340.7	3,340.7	+162.2	-----
Operation and maintenance, Marine Corps.....	189.6	192.5	192.5	+2.9	-----
Procurement of aircraft and missiles, Navy.....	2,496.4	2,279.8	2,272.5	-23.9	-7.3
Shipbuilding and conversion, Navy.....	1,930.1	1,501.1	1,590.5	-339.6	+89.4
Other procurement, Navy.....	1,041.4	1,159.1	1,120.0	+78.6	-39.1
Procurement, Marine Corps.....	162.9	43.8	43.8	-119.1	-----
Research, development, test and evaluation, Navy.....	1,372.8	1,472.6	1,439.2	+66.4	-33.4
Total.....	14,326.3	13,932.6	13,942.2	-384.1	+9.6

¹ In addition, transfers from working capital funds: 1965, \$60,000,000; 1966, \$120,000,000.

² In addition, transfers from working capital funds: 1965, \$6,000,000; 1966, \$25,000,000.

³ In addition, transfer from working capital funds, \$3,400,000.

⁴ In addition, transfer from working capital funds, \$1,200,000.

⁵ Includes reappropriation of \$8,600,000.

1. The bill recommended by the committee will support an active fleet of 899 ships at end fiscal year 1966 compared with 880 planned for the end of the current fiscal year and 859 at the end of fiscal year 1964.

A number of ships from prior year construction and conversion programs will be delivered to the fleet in fiscal year 1966 including nine Polaris submarines, five nuclear-powered attack submarines, one nuclear-powered and three conventionally powered guided-missile frigates and six escort types. The active aircraft inventory will remain about the same although substantial numbers of new aircraft will be received from production. Missile deliveries will include Sparrow and Sidewinder air-to-air types, the air defense Hawk and Redeye for the Marine Corps, and the air-to-surface Bullpup.

2. Personnel: The bill provides for a Navy active duty strength of 684,848 at end fiscal year 1966, an increase of about 10,700 from that planned for the end of the current fiscal year. The increase is principally related to the commissioning of new ships in fiscal year 1966. Marine Corps strength would also rise by about 3,100 men in fiscal year 1966 to a level of 193,190, principally because of the larger helicopter force.

Paid drill training strength for the Naval and Marine Corps Reserve would remain the same at 126,000 and 45,500, respectively.

3. Procurement: The bill provides for the construction of 61 ships and the major conversion of 12 more, for the procurement

of 659 aircraft and for substantial quantities of missiles, ordnance, vehicles, and other equipment. The details of the major item of procurement are included under title III of this report.

Department of the Air Force

For the military functions of the Air Force (excluding family housing and military construction), the budget proposed \$17,602,100,000 in appropriations and \$85 million to be transferred from the revolving funds in lieu of new appropriations. The committee recommends \$17,519,600,000 in new appropriations and \$85 million in transfer authority. The recommended amount is \$1,089,001,000 below the fiscal year 1965 appropriations and \$82,500,000 below the estimate for fiscal year 1966.

1. The bill recommended by the committee would provide funds to support an Air Force of 74 combat wings and 112 combat support flying squadrons at end fiscal year 1966. The B-52 force will decline by two squadrons with the deactivation of the oldest and least effective models; the B-58 force will remain the same; and the last of the B-47 medium bombers will be phased out of active service. The Minuteman missile forces will continue to expand.

The committee recommends continuation of the authority to provide for the costs of an airborne alert as an excepted expense when such action is deemed necessary by the President. The tactical forces squadrons

will increase in fiscal year 1966 from 117 to 119. The Air Force will continue to receive substantial numbers of F-4 fighters, C-130, and C-141 transport and SR-71 reconnaissance aircraft. Additional quantities of tactical missiles will also be delivered including Sparrow, Bullpup, and Shrike, as will significant amounts of other combat consumables.

Department of the Navy

2. Personnel: The bill provides for an active duty military personnel strength of 809,134 at the end of fiscal year 1966, about 19,400 fewer than planned for the end of the current year. The decrease stems primarily from base closings, the phaseout of B-47's and KC-97's, and lower technical training requirements.

The paid drill training strength of the Air National Guard is estimated to increase by 2,000 to a level of 77,000 by end fiscal year 1966 as a result of higher manning levels for the airlift elements. The paid drill training strength of the Air Force Reserve is budgeted to decline by about 3,000 to a level of 45,835, the result of changes in the airlift force structure.

3. Procurement: The bill recommended by the committee will provide for the procurement of 517 aircraft in fiscal year 1966, including SR-71's, F/R-4's, F-111's, and C-141's. Missile procurement includes substantial numbers of Minuteman II's and Shrike's. Additional detail on the Air Force's procurement program is furnished in title III of this report.

Summary of major forces, fiscal years 1964-66

	Actual June 30, 1964	Planned	
		June 30, 1965	June 30, 1966
Commissioned ships in fleet.....	859	880	899
Warships.....	388	406	416
Other.....	471	474	484
Carrier air groups.....	28	28	28
Patrol and warning squadrons.....	35	34	32
Marine divisions.....	3	3	3
Marine air wings.....	3	3	3
Aircraft inventory—active.....	8,391	8,250	8,241
Active duty military personnel.....	(856,914)	(864,184)	(878,038)
Navy.....	667,163	674,115	684,848
Marine Corps.....	189,751	190,069	193,190
Reserve components personnel (paid drill training).....	(169,137)	(171,500)	(171,500)
Naval Reserve.....	123,277	126,000	126,000
Marine Corps Reserve.....	45,860	45,500	45,500

DEPARTMENT OF THE AIR FORCE
Appropriation summary comparison

[In millions of dollars]

Appropriation title	Appropriated 1965	Budget estimate, 1966	Recommended in bill 1966	Bill compared with—	
				1965	Estimate, 1966
Military personnel.....	1 4,442.5	1 4,439.6	1 4,439.6	-2.9	
Reserve personnel.....	59.2	60.5	60.5	+1.3	
National Guard personnel.....	69.3	71.3	71.3	+2.0	
Operation and maintenance.....	4,615.2	4,464.1	4,464.1	-151.1	
Operation and maintenance, Air National Guard.....	237.6	238.0	238.0	+0.4	
Aircraft procurement.....	3,563.7	3,550.2	3,517.0	-46.7	-33.2
Missile procurement.....	1,730.0	796.1	796.1	-933.9	
Other procurement.....	779.1	834.5	829.1	+55.4	-5.4
Research, development, test and evaluation.....	3,112.0	3,147.8	3,103.9	-43.9	
Total.....	18,608.6	17,602.1	17,519.6	-88.9	-82.5

¹In addition, transfers from working capital funds: 1965—\$81 million; 1966—\$85 million; 1966 includes reappropriation of \$45.8 million.
²In addition, transfer from working capital funds, \$3.4 million.

Defense agencies

For the various activities grouped under "Defense Agencies," the budget proposes 2,752,741,000 in new appropriations for mil-

itary functions. The committee recommends \$2,762,541,000, \$572,373,000 below the appropriations for fiscal year 1965 and \$9,800,000 above the estimate for fiscal year

1966. Note that the amount appropriated for 1965 includes the emergency fund, southeast Asia, supplemental in the amount of \$700 million.

DEFENSE AGENCIES/OSD

Appropriation summary comparison

[In millions of dollars]

Appropriation title	Appropriated, 1965	Budget estimate, 1966	Recommended in bill, 1966	Bill compared with—	
				1965	Estimates, 1966
Retired pay.....	1,399.0	1,529.0	1,529.0	+130.0	
Operation and maintenance, Defense agencies.....	511.6	533.8	533.8	+22.1	
Claims.....	23.0	(2)	24.0	+1.0	+24.0
Contingencies.....	15.0	15.0	15.0		
Court of Military Appeals.....	.6	.6	.6		
Procurement, Defense agencies.....	62.0	24.0	15.2	-46.8	-8.8
Research, development, test, and evaluation, Defense agencies.....	498.7	500.4	495.0	-3.7	-5.4

Unexpended and unobligated balances

The following tables show a comparison of the unexpended and unobligated balances for the military functions of the Department of Defense, including both the amounts for

all accounts and those pertaining to the appropriations covered in the bill. Both the unobligated and unexpended balances associated with the accounts in this bill are projected to decline from end fiscal year

1964 to end fiscal year 1966—the former from \$9 billion to \$7.6 billion and the latter from \$28.2 billion to \$27.9 billion.

Unobligated balances, fiscal years 1957-66

[In millions of dollars]

Fiscal year	Total unobligated balance	Pertaining to appropriations in the bill
At end of—		
Fiscal year 1957.....	10,869	10,103
Fiscal year 1958.....	7,904	6,690
Fiscal year 1959.....	7,513	6,626
Fiscal year 1960.....	8,638	7,734
Fiscal year 1961.....	7,167	6,483
Fiscal year 1962.....	7,120	6,584
Fiscal year 1963.....	9,170	8,150
Fiscal year 1964.....	9,961	9,008
Fiscal year 1965 ¹	9,624	8,860
Fiscal year 1966 ¹	8,538	7,619

¹ Estimates based upon data in 1966 budget document and therefore excludes the effects of the 1965 supplemental appropriation, Emergency Fund, Southeast Asia.

I am pleased to note that, as in former years, the distinguished gentleman from New York [Mr. KEOGH] is presiding again. My longtime friend, who is retiring from Congress, has been most gra-

cious and effective in conducting the Committee of the Whole House during consideration of defense appropriations bills.

I salute him and wish him well.

Summary of major forces, fiscal years 1964-66

	Actual, June 30, 1964	Planned	
		June 30, 1965	June 30, 1966
U.S. Air Force combat wings (including missile wings).....	83	78	74
U.S. Air Force combat support flying forces (squadrans).....	130	117	112
Aircraft inventory—active.....	15,380	14,411	13,706
Active duty military personnel.....	855,802	828,551	809,134
Reserve components personnel (paid drill training).....	(134,049)	(123,820)	(122,835)
Air National Guard.....	73,217	75,000	77,000
Air Force Reserve.....	60,832	48,820	45,835

Appropriation summary comparison—Continued

[In millions of dollars]

Appropriation title	Appropriated, 1965	Budget estimate, 1966	Recommended in bill, 1966	Bill compared with—	
				1965	Estimates, 1966
Emergency fund.....	\$ 125.0	\$ 150.0	\$ 150.0	+25.0	
Emergency fund, southeast Asia.....	700.0			-700.0	
Total.....	3,334.9	2,752.7	2,762.5	-572.4	+9.8

¹ In addition, not to exceed \$6 million to be derived by transfer from appropriations available to the Department of Defense for fiscal year 1964.
² Budget proposes language making permanent indefinite appropriation.
³ In addition, \$150 million to be derived by transfer from other appropriations available for obligation in the respective fiscal year and authority to transfer an additional \$200 million under certain conditions—see section 536.

Unexpended balances, fiscal years 1957-66

[In millions of dollars]

Fiscal year	Total cash unexpended balance	Pertaining to appropriations in the bill ¹
At end of—		
Fiscal year 1957.....	34,660	31,955
Fiscal year 1958.....	32,086	29,044
Fiscal year 1959.....	31,635	29,139
Fiscal year 1960.....	30,660	28,415
Fiscal year 1961.....	28,606	26,888
Fiscal year 1962.....	28,697	27,161
Fiscal year 1963.....	30,019	28,237
Fiscal year 1964.....	29,966	28,211
Fiscal year 1965 ²	30,529	28,852
Fiscal year 1966 ²	30,145	27,915

¹ Includes balances of Department of Defense revolving and management funds.
² Estimates based upon data in 1966 budget document and therefore exclude the effects of the 1965 supplemental appropriation, "Emergency Fund, Southeast Asia."

The CHAIRMAN. The gentleman from Texas [Mr. MAHON] has consumed 20 minutes.

Mr. LIPSCOMB. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, the chairman of this committee, the gentleman from Texas [Mr. MAHON] has covered a good many of the items in the bill and as usual he has given detailed examples of great merit. At the outset I would like to commend the chairman of this committee and the members I am privileged to work with and the staff who put in many, many hours getting the details of this very complicated bill which is very vital to the defense of our country and the free world.

Mr. Chairman, the bill before the House today, H.R. 9221, will provide appropriations of new obligational authority in the amount of \$45,188,244,000, for the Department of Defense for fiscal year 1966.

I support this bill which essentially will provide funding during the fiscal year at a level needed to maintain the U.S. Defense Establishment at a strength second to none in the world. A superior defense posture is required as a bulwark against the forces of aggression for the protection and security of our citizens and the free world.

At the same time I feel compelled to discuss with the House of Representatives my deep concern with regard to certain aspects and policies being pursued in the carrying out of the mission of the Department of Defense, both from the point of view of current happenings and also the formulation of plans which will affect our defense effort in the crucial years ahead.

The committee spent literally hundreds of hours over the course of about 4 months of hearings to explore the lengthy and involved Defense budget and the administration's policies and decisions on which the Defense budget request is based. The hearings produced much interesting and revealing testimony.

It is clearly understood that U.S. defense policy and foreign policy are closely interrelated. We need therefore to examine these policies, which provide the framework in shaping the defense budget and the basic direction in administering the defense program. This is the major area of concern for I believe various policies being followed and advocated are seriously wanting.

Despite contrary expressions and viewpoints, I firmly believe that the overall threat from communism has not diminished, that a genuine mellowing has not taken place in the Soviet Union and in many of the satellite countries, and that tensions between the Communist bloc and the free world have not been eased.

The basic administration defense decisions reflect more of a policy of seeking for the future to achieve a defense standoff or parity between the Communist bloc and the free world, not a decisive superiority on our part.

The Defense budget submitted to the Congress and the testimony received by the committee during the course of the hearings indicates that action is being taken toward this end. I have grave reservations about the implications of such decisions and policy.

It appears that examples of the efforts to carry out this policy include: a cut-back of Minuteman missiles to 1,000

from the planned 1,200; decisions to delay production and deployment of the Nike X antiballistic missile system; a proposed low level of effort to develop the follow-on manned bomber; a lack of aggressive new weapons developments in research and development; and the Secretary of Defense's proposed reduced program of nuclear attack submarines from six to four.

As further evidence that this appears to be the policy, on April 26, 1965, in a speech before the U.N. Disarmament Commission, U.S. Ambassador to the United Nations Adlai E. Stevenson commented on actions that have been taken to limit and reverse the arms race to achieve arms control and disarmament.

Ambassador Stevenson seems to believe that nations have an obligation to make an arms reduction independently of others in the hope that others will act accordingly, for he states that the United States has taken some actions "which we hope will be reciprocated," including reductions in planned procurement of fissionable material and a reduction of B-47 strategic bombers. He declares that by mid-1966 the United States will have inactivated or destroyed over 2,000 B-47 bomber-type aircraft. Mr. Stevenson further states that there will be a reduction during 1965 in the number of B-52 aircraft, and that these reductions will also be accomplished by destruction of aircraft. Ambassador Stevenson also told the United Nations Disarmament Commission that the United States now plans to forego the construction of some advanced design Minuteman missiles which were included in our plans, as well as further increments of such missiles for the future.

Mr. Chairman, these actions, taken collectively, certainly are not based upon a realistic appraisal of and do not recognize fully the nature and magnitude of the Communist threat and about Communist thinking on vital matters relating to East-West relations.

Certainly we must not fail to recognize the obvious—that communism continues to seek world domination by any and all avenues that may be available to it. It stands to reason that any sizable slowing down of our efforts and reductions in our defense forces is one of the things the Communist bloc would most wish to see.

The world knows that the United States does not have aggressive designs upon any other nations. But it must also know that if aggression should occur, we are capable, in our preparations and our dedication, to take steps necessary to defend the people and interests of the United States and help advance the cause of peace and freedom.

The Department of Defense has displayed a far too narrow attitude toward advanced development, in effect putting a straitjacket on developing new weapons and procedures through arbitrary and rigid limitations and conditions.

Certainly I do not advocate open-end scientific and research fishing expeditions. But in this age more than ever the state of scientific technological advancement largely will determine military preparedness and effectiveness. We

must allow creativity and initiative to go to work or we could become increasingly more vulnerable to potential aggressors in the late sixties and in the seventies.

The primary threat to peace are men and their motives.

Nuclear war is unthinkable to a rational person but there is always the possibility of the use of nuclear weapons by irrational people. We must therefore be fully prepared, taking into account the capabilities and known policies of potential aggressors.

Military judgment must be given proper weight in matters of national security. Strategy, the selection of weapons, and similar matters must not be dominated by political or other considerations.

Let me make clear that as of today we do have sufficient military superiority to deter aggression and to mount counter-action should attack occur. Much of the reason for our superiority are the advances made in prior years. Today's question therefore is whether or not we have the policies and the will to carry forward that military capability responsibly, and adequately, and decisively.

It is the future which is of particular concern because it is then that the results of many of the basic plans we lay at this time will be realized.

A complete review in depth of our foreign and defense policies is an urgent requirement that the Administration and this Congress must undertake.

SUMMARY

The amounts recommended in the defense bill for the Department of Defense for fiscal year 1966 total \$45,188,244,000, new obligational authority. This is \$60,600,000 less than the budget request. The total is \$2,494,201,000 less than was appropriated in fiscal year 1965.

These funds will continue and increase the military strength of the United States, which has at this time already the strongest Military Establishment that has been maintained in our peacetime history.

The bill includes \$4.48 billion for the strategic offensive forces, which are designed to provide a deterrent to nuclear attack on the United States or its allies and in the event of attack to limit damages to our people and industrial capacity. The sum of \$1.57 billion is provided for the continental air and missile forces, the program designed to detect, identify, track, and deter unfriendly forces approaching our continent, and to help limit damage to our population and industry in case of nuclear attack.

The general purpose forces, the largest part of the major military programs, are designed to perform the entire range of combat operations short of general nuclear war. The sum of \$18.63 billion is provided in the bill for general purpose forces.

Airlift and sealift forces are created to provide a capability of moving our forces quickly to areas where they may be needed. The bill provides \$1.53 billion for this program.

The sum of \$5.3 billion is provided for research and development, which com-

prises five major categories: research, exploratory development, advance development, engineering development, and management and support.

The bill provides approximately \$2 billion for Reserve and National Guard forces. This amount is to support a total of over 1 million personnel in a paid training status by the end of the fiscal year.

General support includes a variety of activities such as individual training and education, communications, logistic support, medical services, weather services, the national military command system, the defense atomic support program, claims, contingencies, and others—\$13.14 billion is included in the bill for these items.

The final major program covers retired pay as authorized and prescribed by law. Costs are estimated at \$1.52 billion and this amount is included in the bill.

The funds recommended in the bill will support an average of 2,653,000 military personnel.

The Department of the Army will receive a total of \$10.96 billion and this would support Army forces of essentially the same size and makeup as the present fiscal year. The bill provides funds for an Active Army strength of 953,094. The Army forces will be comprised of 16 divisions, 4 armored cavalry regiments, 7 brigades, and 2 missile commands. The numbers of Army aircraft will continue to increase during the year as planes are delivered which were funded in prior years. Deliveries will also be made of large quantities of Hawk, Honest John, and Pershing antitank missiles, vehicles, communications equipment, and many other items.

Funding is provided for the procurement of 1,018 aircraft and over 32,200 missiles. This includes the first missile procurements of Shillelagh antitank and the Redeye anti-aircraft missiles.

The Department of the Navy will receive \$13.94 billion for military functions. The Navy will have an active fleet of 899 ships by the end of the fiscal year. Nine Polaris submarines, five nuclear powered submarines, one nuclear powered, and three conventionally powered guided-missile frigates, and six escort types will be delivered during the year from prior year funds. The active aircraft inventory will remain approximately the same although new aircraft will be received. The Navy will also get missile deliveries, including Sparrow, the Sidewinder air-to-air missiles, the air defense Hawk and Redeye for the Marine Corps, and the air-to-surface Bullpup.

The Navy under the bill will have an active duty strength of 684,848 personnel at the end of the year. The Marine Corps will have a strength of 193,190.

The bill provides a total of \$17.52 billion for the Department of the Air Force. Active Air Force personnel strength at the end of the fiscal year is expected to be 809,134.

The active aircraft inventory of the Air Force at the present time stands at approximately 14,400 aircraft and it is expected to have approximately 13,700 at the end of the fiscal year. The bill will provide funds to support 74 combat

wings and 112 combat support flying squadrons at the end of the fiscal year 1966. Two B-52 squadrons will be deactivated. The B-58 force will remain at the same strength, and the B-47 medium bombers will be phased out of active service. The tactical forces squadrons will increase during the fiscal year from 117 to 119.

The Air Force will continue to receive substantial numbers of F-4 fighters, C-130 and C-141 transports, and the SR-71 reconnaissance aircraft. Also it will receive tactical missiles such as Sparrow, Bullpup, and Shrike.

SUMMARY OF TITLE I, MILITARY PERSONNEL

The bill provides appropriations for military personnel, covering the major programs of pay and allowances, subsistence of enlisted personnel, permanent change of station travel, and other military personnel costs, totaling \$14,598,500,000 plus reappropriations of \$58,100,000, and transfer from revolving funds in the amount of \$470 million. The amounts recommended by the committee are \$38,500,000 above the budget estimates. Other than minor adjustments, the major cause for a net increase was the committee action to provide funds for the Army Reserve and the Army National Guard as separate organizational units.

PROBLEMS OF RETAINING EXPERIENCED CAREER PERSONNEL

The complex weapons systems which we have today demand high caliber personnel. The Army, Navy, Air Force, and Marine Corps all have stated that the major personnel problem in the services today is the problem of attracting the retaining skilled, highly qualified people to do the jobs at hand. Looking into the future, the problem seems to grow even more acute as we can expect an increase in retirements of our more experienced people coupled with further increases in the complexities of our weapons systems. Solutions must be found, and the Department of Defense should study this problem and make solid recommendations the Congress can act upon, such as the increased pay legislation.

SPECIAL TRAINING AND ENLISTMENT PROGRAM (STEP)

The Army has proposed with funds in the budget to begin a new program, the special training and enlistment program, known as STEP, which is open to serious questions on a number of counts. STEP is a proposal under which medical care and educational training would be given to enlistees who do not presently meet Army standards. The personnel needs of the Army will not be met by STEP. Testimony before the committee clearly indicated that the major manpower problem faced by the services is to attract and retain skilled personnel. STEP is ill conceived, duplicates existing programs such as the Job Corps, and would create additional problems without remedying existing ones.

The cost of the STEP as contained in the bill is \$24.2 million, which could provide for training up to 15,000 personnel, though apparently no one really knows just how many will be trained the first year. Under the proposed STEP, the

Army would take marginal enlistees, those it would not otherwise accept, and try to qualify them through a basic training program stretched out from 8 to 14 weeks, or longer, depending on the progress of the individuals.

The committee received considerable testimony about the STEP program, and I simply cannot agree that a need for it has been established. This matter first came up as a reprogramming action in February of this year with a scheduled starting date of April 1, 1965. The Army sought to shift \$7.4 million from fiscal year 1965 funds into the STEP program. The request was denied.

There is much conflicting data and information about just what the program would cost, and the methods followed in determining the cost. Although \$24.2 million is included in the bill for STEP for fiscal year 1966, there seems to be considerable difficulty in determining the elements of cost which make up that figure or whether it is accurate or not. During the course of the hearings it was stated that based upon a 4-year program, to train 60,000 men, the cost per man would be \$3,920. By multiplying through you obtain a figure of \$235,200,000 as the cost for the 4-year program. However, in one set of supporting papers supplied to the committee just recently, the Department of Defense stated that the cost per man would be \$4,104. This could come to a total of \$246,240,000. In this connection we are advised that probable costs are determined on the basis of an assumed 50-percent retention rate and it was stated that the 4-year cost would be \$144,630,000. Try as one might, none of these figures, no matter what kind of calculation is made, appears to bear any sort of relationship to the \$24.2 million amount as budgeted and as is contained in the bill.

Furthermore, these cost figures do not include costs for new construction required by the STEP program. Here too, it is unclear as to just what the actual costs will be.

The Army clearly does not require this program to obtain adequate manpower. In terms of overall members, it receives sufficient men through enlistments and the draft. The major manpower problems the Army has, as were discussed at length during the hearings, revolve around its need to acquire and retain skilled personnel. The problem of how to retain skilled and experienced career personnel is growing more and more acute. Obviously, the STEP program would do next to nothing toward solving the problems in this area.

Aside from the lack of a demonstrated need for STEP, the proposal has been justly criticized on many counts. STEP would be duplication of work more properly being done in other areas, on other levels of government and privately. It would, for example, parallel the efforts of the Job Corps, one of whose aims is training youths for placement in the Armed Forces. Specifically, in the Job Corps Conservation Center Administrative Manual, it is stated that:

Youth selected for the Job Corps would include those who have been unable to pass

the educational part of the Selective Service examination.

The manual further states that as part of its responsibility, the corps will help place those youths who have completed their training, and that one of the principal areas mentioned for placement is the Armed Forces.

STEP would aggravate the already admitted shortage of qualified teachers and counselors. It is difficult to determine just what type of curriculum would be offered the enlistees under STEP, but it is clear that a major subject would be social studies, which leaves the door open as to specific subject matter and the point of view stressed.

Furthermore, it could produce serious disciplinary problems. The Army has made encouraging progress over recent years toward solving disciplinary problems. In light of the testimony that these stem primarily from those in the lowest 10 or 20 percent of the enlistment or draft standards, I feel it would be completely unrealistic to hold that the STEP program will not bring about a sizable increase in Army disciplinary problems. Also, even if the men in STEP prove to be incapable of retention in the Army, they would still be veterans and eligible for peacetime veterans' benefits on the basis of their having been in the "Army."

If there is no clear-cut demonstrable need for the STEP program to enable the Army to obtain personnel, and on the other hand there are many actual and potential problem areas, why should the Army insist on spending \$24.2 million for STEP during the fiscal year 1966? The original budget request for STEP for fiscal year 1966 was \$31.3 million. The reduction is due to the additional delay in schedule in starting this program.

Despite the many skepticisms that were raised about STEP in the hearings, essentially the response was a dogged persistence that the Army should go ahead and that good could come of it. But to my mind the Army failed to give concrete evidence as to why such an undertaking is properly a part of the Army's mission.

It is commendable for the Army to show persistence, but that persistence should be directed toward doing the job it was established to do, which is to help provide for our national defense. The Army was not meant to nor should it be called upon to conduct programs such as this.

Funds included in this budget for the STEP proposal should not be deleted, but a limitation should be provided in the legislation that none of the funds appropriated shall be utilized for the special training and enlistment program. The funds which had been requested for the STEP program, and which are recommended to be retained in the budget, should be used for emergency problems, such as the necessary increases in Vietnam. This is made necessary by the administration's decision to increase our efforts in Vietnam which have not been adequately provided for in the budget.

ARMY RESERVE

The defense appropriation bill as in previous years provides separate appropriations for the Army Reserve and Army National Guard. The budget request was submitted to the committee on the basis of reorganizing the Army Reserve and National Guard into one unit within the National Guard. Before the committee can act on such a proposal, legislation is required to revise existing law.

The committee bill provides \$504,800,000 to maintain the Army Reserve and the Army National Guard as separate organizational units at a level of 650,000 men. The budget request was for \$459,800,000 to support a level of 575,000 men under a single unit.

SUMMARY OF TITLE II, OPERATION AND MAINTENANCE

For the operation and maintenance of our military forces for fiscal year 1966, \$12,547,144,000 is recommended by the committee. This is an increase of \$36,900,000 above the budget estimates. It is also \$101,266,000 above the fiscal year 1965 appropriations.

Though the committee recommended \$36,900,000 over the budget request for operation and maintenance, it did make various savings throughout this portion of the budget totaling \$104,250,000. This amount however was left in the bill to provide, in the words of the committee, "for the higher priority needs wherever they may develop."

ADEQUACY OF THE BUDGET TO SUPPORT OUR COMMITMENTS IN VIETNAM

The fiscal year 1966 budget contains insufficient funding for the Vietnamese effort. The President has made certain policy decisions affecting our position and commitments in Vietnam. This commitment includes the large-scale introduction of American personnel and equipment. The decisions to commit American lives and American prestige must be backed up and supported with the appropriations necessary to carry them out successfully.

The committee's hearings on the defense bill extended almost through May. Markup was done on June 2 and the bill was reported last Thursday, June 16. All this covers several months after the decision was made to escalate the conflict in Vietnam. Certainly this should have given the Department of Defense ample opportunity to submit a revised budget estimate.

As a matter of note, revised estimates were submitted on other activities as late as May. Also, the President did revise the economic portion of the foreign aid bill for Vietnam, after his original submittal, in a June 1 message to Congress.

The committee during the course of the hearings on the appropriation bill itself and during the hearings on the \$700 million supplemental request for emergency funds for southeast Asia gave Secretary McNamara every opportunity to review and revise the fiscal year 1966 budget.

It is also of serious concern that equipment and material priorities for Vietnam must not be permitted to so deplete active force inventory as to impair the

readiness of our forces not committed to Vietnam. Our forces no matter where they are located, must be sufficiently equipped to respond to any emergency. Reserve stocks are for the purpose of having available a sufficient inventory to take care of the unknown and unpredictable events that could occur all over the world. The Dominican Republic is a recent example.

It was stated in the emergency supplemental appropriations hearings on Vietnam, and set forth in the committee report:

Although we probably would not adversely affect our overall military strength by delaying in a minor way the continuing increase in military inventories, the committee believes a position of plenty—militarily—is to be desired in the light of world conditions. (H. Rept. 286, 89th Cong., p. 2.)

On the basis of this approach I find the position of the Department of Defense incompatible with what the fiscal year 1966 budget actually reflects.

Based upon existing procedures, the Department of Defense does have the ability to use emergency funds and transfers from other programs, but these means are to be used for emergency situations which were not known at the time of the budget request. The general nature of the conditions in Vietnam are known and the situation indicates that the current level of effort will at least continue and could require escalation. Though it is difficult to make precise estimates covering our Vietnam needs, nevertheless it should be possible to place some sort of overall figure on probable cost.

It is a fact that we are carrying out added activities and that they must be funded. This should be accomplished in a timely, reasonable manner, completely in keeping with the right of Congress and the public to know how much is being spent, when it is being spent and for what purpose.

In this connection, it is interesting to refer again to the committee action in allowing \$104,250,000 in savings the committee developed in operation and maintenance to remain in the bill "for higher priority needs."

The report states:

By leaving the dollars available for higher priority uses, the committee is again demonstrating its philosophy of plenty in the matter of maintaining the security and safety of the Nation.

This is the very approach that I believe should be taken with regard to the Vietnam situation since it is based on a recognition of the fact that we should have timely and adequate funding of military programs even though the exact amount required for this emergency cannot be precisely determined.

It seems apparent, therefore, that beyond the matter of inadequacy of funds, the entire problem of the thinking and approach of the administration relative to the conflict in Vietnam bears close inspection.

DEFENSE AGENCIES

In recent years there have been efforts to unify and strengthen defense management activities. One of the results of

this has been the creation of centralized management facilities such as the Defense Supply Agency, the Defense Intelligence Agency, and the Defense Communications Agency.

The committee has, in the past, encouraged this effort. It has found out, however, that a little encouragement goes a long way, especially when it comes to matters such as adding personnel.

It is admitted, for example, that the Office of the Secretary of Defense had a 39-percent buildup in personnel between 1961 and 1966, from 1,453 to an estimated 2,023. The Joint Chiefs of Staff organization, including the Joint Staff, has grown by 77 percent, from 890 in 1961 to an estimated 1,577 in 1966. The Defense Intelligence Agency started in 1961 with 72 employees and will have 3,883 employees on its rolls June 30, 1965. While the services have had reductions to offset this increase, the entire idea of such a reorganization is to promote better management and efficiency. Presumably, placing the work under one head should result in a lessening of personnel.

I should particularly like to point out my concern about the Office of Assistant Secretary of Defense for Administration, which seems to have acquired enormous powers and responsibilities since it was created in July 1964. The functions encompass such areas as DOD coordinator in the area of command, control, and communications; to provide the Secretary of Defense and Joint Chiefs of Staff with the capability to conduct criminal or counterintelligence investigations; and to act as executive agent in all matters pertaining to national communications systems. These functions represent a great concentration of power in that Office which has broad and far-reaching implications to our national security.

An example of how still more functions are being added to the new Office of the Assistant Secretary for Administration was the creation of an Office of Directorate of Inspection Services, which is just getting underway now, starting with 26 employees. The separate services and most defense agencies already have inspector general positions which carry out the very type of function the new Office was established for. The Department was unable during the hearings to tell us just how the new Office might overlap, duplicate, or impinge on the duties of Inspector General offices already in existence.

It must be mentioned too that in spite of the obviously great need to look into and evaluate the activities of this new agency, the Assistant Secretary for Administration did not even appear before the committee. We were told he had "a major conflict" and could not appear. The witness in his place, the Deputy Assistant Secretary, was relatively new in the position which made it very difficult to explore in depth the activities of the rapidly expanding new Office.

The Office of the Assistant Secretary for Administration, with the type of duties and responsibilities placed in it and the propensities that have been shown toward expansion, could grow

enormously in personnel and power and must be closely watched in the future.

Also, the centralization, duplication, and expansion that is taking place in the Office of the Secretary of Defense could further diminish the voices of the military services and other offices and agencies in matters pertaining to our defense program which must be heard. This whole area warrants extensive and critical review.

SUMMARY OF TITLE III PROCUREMENT

The committee recommends appropriations for procurement totaling \$11,390 million which is a reduction of \$21,700,000 below the budget estimates submitted. It is also \$2,032,047,000 below the amount appropriated for fiscal year 1965.

F-111 AIRCRAFT

Included in this appropriation bill under procurement is \$591,800,000 for the F-111 aircraft, formerly known as the TFX. The amount includes \$140 million for the Navy model, the F-111B, and \$451,800,000 for the Air Force version of F-111A.

This aircraft will definitely be a significant addition to our forces provided it meets its mission requirements. It should be aggressively pursued. There is a serious concern, however, about the problems which are being encountered in development. A major problem is one of excessive weight which affects both the Air Force and Navy version. Other problems were also mentioned which clearly indicate that we are definitely not ready for production on the Navy version and any production on the Air Force version should be carefully monitored to prevent costly rework.

The \$140 million included for the Navy aircraft is to procure research and development models so that these problems can be worked out and then tested. These funds should not be used for hard tooling or production aircraft of the existing model.

NUCLEAR ATTACK SUBMARINE PROGRAM

The committee has recommended \$133,600,000 to be added to the budget request for the construction of two additional nuclear-powered attack submarines. Only four had been requested by the Secretary of Defense. The testimony before the committee clearly demonstrates the need to continue a current building rate of six ships a year in view of the anticipated threat in the field of ASW for the late 1960's and early 1970's. It should particularly be noted that the Joint Chiefs of Staff recommended six nuclear attack submarines in the fiscal year 1966 budget.

DLGN—NUCLEAR FRIGATE

Twenty million dollars has also been added to the budget request for the advance procurement of long leadtime items required for the construction of the nuclear-powered, guided-missile frigate—DLGN. The total cost of the frigate is estimated at \$150,500,000. I strongly concur in this action. It seems Congress is again put in a position of leading the way toward encouraging an increase in a nuclear Navy. I also feel there is too much stress by the Secretary

of Defense on the initial cost rather than the long-term cost and effectiveness of a weapons system.

MINUTEMAN MISSILE

The previously planned program of 1,200 Minuteman missiles has been reduced by the Secretary of Defense by 200 to a new program level of 1,000 missiles. The 1,200 missile program would have provided a higher degree of insurance in our strategic capability and therefore the reduced program included in this budget is viewed with concern. It should be noted that the Joint Chiefs of Staff proposed a 1,200 force missile program.

The Secretary of Defense should review his position with the Joint Chiefs of Staff in light of the new evidence of Soviet advancements in this area, and reevaluate his decision.

AIRLIFT

The committee has repeatedly urged a buildup in our airlift capability in view of the assessments of the future threats and the nature of the conflicts anticipated. We do need an adequate airlift capability to assist in deterring aggression. Vietnam and the Dominican Republic are two current examples that have substantiated this need.

In view of the clearly established need now and in the immediate future, it is strongly recommended that no unnecessary risks be introduced into the planning. For example, the C-141 procurement program should stay at a substantial level until the C-5A aircraft has been proven.

TITLE IV. RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

The recommended appropriation for fiscal year 1966 for the accounts included in title IV, research, development, test, and evaluation, is \$6,594,500,000, which is \$114,300,000 less than the amount requested. This is \$145,980,000 more than appropriated for these functions for fiscal year 1965. The amount recommended for each of the accounts in this title of the bill is the amount authorized to be appropriated for that account by Public Law 89-37.

Our level of effort in advanced weapons developments is the area of major concern in our defense posture. Military effectiveness is largely determined by the state of scientific and technological advancements. New weapons systems must be aggressively pursued, based upon both the assessment of the threat and the pace of technology. Testimony during the course of the hearings reflects an approach falling far short of what must be done in this vital area.

It became apparent during the course of the hearings that there was a tendency on the part of some of the principal witnesses to believe we have essentially reached a plateau in new weapons developments. Such a belief is very difficult to accept, based upon both the overall testimony and statements from some of our foremost scientists, engineers, and military people. We have the capability to make large-scale, meaningful advances if pursued aggressively and purposefully.

But these efforts will fall short of success if the planning and consequent decisions on these programs are governed by a belief that there has been a leveling in the progress of science and technology. The efforts will also be impaired by too rigid demands that operational requirements be specifically defined before allowing new technological developments to be undertaken. Such restrictions stifle creativity, the evolution of new ideas, and the incentive to explore new horizons in science and technology.

The pace of advanced developments must be a reflection of both a realistic assessment of the threat and the advances in science and technology. If these considerations do not govern our decisions, we will become increasingly vulnerable in the late 1960's and early 1970's.

ANTISUBMARINE WARFARE

The field of antisubmarine warfare is an exceedingly important area. All of the witnesses agreed that one of our most critical and difficult areas of defense is antisubmarine warfare, both offensively and defensively. Yet the antisubmarine warfare portion of the budget is described as very "tight" primarily emphasizing operational improvements. Although we need improvements in our existing operational systems, the evaluation of the threat clearly shows our needs become even more crucial in the late 1960's and early 1970's for which we need new concepts and new systems. A "tight" approach does not permit the flexibility to explore potential concepts that might provide some of the solutions being sought. New ideas and new programs should not be straitjacketed by either a lack of funds or a lack of encouragement to explore new avenues.

It is encouraging that the Navy is reorganizing the antisubmarine warfare program under a single director, along the lines of a recommendation made some time ago by members of the Defense Appropriations Committee. Hopefully this will serve to help bring about an improved antisubmarine effort.

NIKE X

The decisions relating to deploying an antiballistic missile defense system remains a most critical issue for our strategic defense posture. Although there are many elements to be taken into account in such a decision, which leaves room for varying judgments, I believe a decision must be made very soon. Here again the Joint Chiefs of Staff clearly indicated that the program was not adequately provided for in the budget.

The primary area of differing opinions is over the degree of effectiveness of this system in handling a massive sophisticated attack. There is virtually no disagreement with the conclusion that it can handle smaller attacks.

The urgency of the need to initiate production and deployment of this defense system is underlined by the fact that insufficient support is being given toward achieving an adequate civil defense program.

MANNED ORBITAL LABORATORY

The sum of \$150 million is in this budget request for the manned orbital

laboratory program. There must be greater emphasis and direction in the field of space to overcome the military lag in space technology. A major step forward would be the development of the manned orbital laboratory. This is the only major program directed toward utilizing the military man in space. For this reason the committee has placed a limitation in the bill prohibiting the use of these funds being transferred to any other program.

ADVANCED MANNED INTERCEPTOR, YF-12A

The bill includes \$5 million for development of the advanced manned interceptor, YF-12A, which is a very low level of effort, considering the need and the technological and military advances this aircraft would provide for our continental defense. Additional funds are included for related programs, but the overall effort cannot be described as aggressive.

When the Joint Chiefs of Staff were questioned as to the adequacy of the budget, the advanced manned interceptor was one of the areas pointed out as being inadequately funded.

I would urge the Department of Defense to consider revising upward its level of effort.

ADVANCED MANNED STRATEGIC AIRCRAFT

The committee has recommended an appropriation of \$7 million more than was requested in the budget for advanced manned strategic aircraft development; \$15 million had been included in the budget request thereby totaling \$22 million of new obligational authority. An additional \$24 million of the funds appropriated last year remain available only for this program for a total of \$46 million.

Testimony during the course of the hearings indicated that the advanced manned strategic aircraft program has not been advancing as rapidly as possible due to decisions by the Secretary of Defense. The Air Force and the Joint Chiefs of Staff have clearly indicated the need for this program and at a higher level than that which was approved by the Secretary of Defense.

A mixed force of both missiles and strategic bombers has been justified as being required through the foreseeable future. There is question as to how long the B-52 will have adequate capability both as to structural and performance obsolescence. The schedule being quoted by the Secretary of Defense to retain the B-52 at least through the mid-1970's seems to be an outside date which incurs unwarranted risks.

Also during the course of the testimony it became apparent that this program would not have advanced to the degree that it has were it not for the funds and encouragement of the Congress.

There has also been discussion about the possibility of the F-111 being modified to include strategic bomber capabilities. Within limitations this can probably be effected, but it should be recognized that the capabilities of the F-111 would only suffice as an interim bomber as it cannot be stretched into having a full strategic bombing capability.

MILITARY SCIENCE

Basic research in the military sciences is an important and necessary element in the defense research and development budget. As expressed in the committee report there is concern, however, that these programs require better management and, more importantly, lack coordination and direction. There also seems to be a proliferation of studies of all types with overlaps between the services. In addition there are some of questionable benefit to the armed services.

A particular area that warrants a close review is the category of behavioral and social sciences. Considering the nature of today's warfare, it is readily admitted that behavioral and social sciences must be considered, but this is a field where the selection of such matter must be carefully determined to prevent academic excursions into nebulous areas that have little or no benefits to the military. The little benefit that might be gained perhaps warrants that this would better be done elsewhere and then used by the military services for further development into specific military applications.

Research in this area covers such subjects as social psychology, sociology, ethnology, humanistic sciences, cross cultural relationships, and teaching machines. Applications to the Department of Defense on these subjects require careful delineations that we have not found being exerted. For fiscal year 1966 \$22,974,000 was requested. In fiscal year 1965 the amount was \$18,726,000. The committee has essentially cut the budget request back to the fiscal year 1965 level of funds. A thorough review of this area should be made by the Department of Defense.

ARMS CONTROL AND DISARMAMENT

The subject of arms control and disarmament was discussed at considerable length during the course of the hearings. It is an element in our overall policy that has far-reaching effects directly on our defense posture and on our national security as a whole. The committee report states that it is indicated there is \$2,600,000 in the fiscal year 1966 budget to contract for studies related to arms control and disarmament. Actually, the amount of funds contained in the budget for this purpose could vary considerably, amounting to millions of dollars, depending upon the definition used in describing arms control and disarmament programs. This, of course, is in addition to the in-house work being done within the Department of Defense itself.

It is understood that the Department of Defense and the Military Establishments must undertake research and assume responsible positions in any decisionmaking processes in this area. Such research, however, must be accomplished before any proposals are made, not after.

There is concern, also, about the weight being given military judgment. Armaments, strategy, and overall defense policies of our country are basic to the subject of arms control and disarmament. Since these are matters to which the Department of Defense has primary responsibility, it is obvious that

they must be an active party to any arms control and disarmament deliberations in a priority position. Under existing procedures it appears a distinct possibility that proposals could be agreed to and simply presented as accomplished fact.

In view of the question over how much funding is actually in the fiscal year 1966 budget and the question of policy relative to the role of the Department of Defense, a thorough review and investigation into this area is urgently required.

CIVIL DEFENSE

Civil defense appropriations are handled by another Subcommittee of Appropriations and therefore is not included in this bill even though the Office of Civil Defense is under the Department of Defense. Inasmuch as our defense posture is based to a large degree on the scope and adequacy of our civil defense efforts, I would like to bring to the attention of the House what, in my opinion, is a situation which needs serious attention.

Various spokesmen for the administration, including Secretary McNamara, have said that a comprehensive fallout shelter system would be by far the single most effective damage limiting effort we can undertake toward saving lives. However, according to the Secretary of Defense, the Congress for 3 years running has declined to authorize the dual-purpose shelter subsidy program.

In this fiscal year 1966 budget he decided to concentrate his efforts on exploiting the existing potential for fallout protection under the present authority. It is estimated that this in itself would reduce fatalities by 30 million people or more.

The President's fiscal year 1966 budget request of \$193.9 million was reduced by the House of Representatives by \$104.7 million. It is apparent that the Secretary of Defense and the Civil Defense people who testified in behalf of the total budget request must not have made their case plain. The subcommittee of the House Appropriations Committee which heard the budget request is known for its thoroughness, and the House of Representatives upheld the subcommittee recommendations.

Decisions are required by the President so that firm and comprehensive plans can be drawn up to obtain the best protection possible for our citizens. There are other aspects of the damage limiting program which the Secretary of Defense has been holding up by a lack of decisions and aggressive action which would make our Nation more secure in the late 1960's and 1970's. Decisions need to be made on the production and deployment of a new manned interceptor, of the Nike X antiballistic missile system, of a new manned bomber as well as additional ballistic missiles if needed. Either we should go ahead with a comprehensive, well planned and administered civil defense program, or we should go ahead with the necessary weapons systems or perhaps a combination of both.

I am not prepared to say what the right decision should be, but believe that the whole damaged limiting problem should be opened up for discussion and

decisions made so that action can be taken. Congress should be given the opportunity to hear the plans, to discuss and debate them, and to make the decisions as to what should be authorized.

The initial decisions must be faced up to by the President and then submitted to Congress. It is time to stop talking and to determine what action should be taken in regard to a damaged limiting program which will adequately protect the greatest number of our population in the event of a nuclear attack.

CONCLUSION

Mr. Chairman, I want at this time to express once again my position that this fiscal year 1966 defense appropriation bill will provide for a continuing strong America and that the bill should receive full support by the House of Representatives.

Though I have certain differences of opinion with reference to some of the approaches taken in connection with the shaping of the defense budget, it is of course recognized that in matters such as this different individuals may reasonably reach varying opinions. Nevertheless, it is my firm conviction that the areas I have referred to and discussed today are places and items that must receive serious attention by the Congress to help assure a completely adequate defense posture in the upcoming years.

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

Mr. LIPSCOMB. I yield to the gentleman from Illinois.

Mr. MICHEL. Within the past few days, the Department of Defense has announced that combat pay will be in order for certain of our forces in the Vietnam war. I might say that I was glad to hear of this announcement for it was long overdue. Is there money in this bill to account for this increased allowance that will be made over there if what we hear about is borne out by action?

Mr. LIPSCOMB. There is no planning in this bill for this specific item of combat pay. There is no planning for the purpose of an air mobile division, as has been recently announced. There is no money here for combat pay for the proposed 6,000 or 8,000 additional personnel recently announced for Vietnam and those are just exactly the points we are trying to make.

Mr. MICHEL. In other words, before the end of this fiscal year, we will surely have a supplemental request for x amount of dollars to pay for these additional personnel and combat pay and allowances.

Mr. LIPSCOMB. I think by reading the letter written by Secretary McNamara, which the chairman has indicated is at the desk, you can come to only one conclusion and that is you are going to have a sizable supplemental request next year, the next calendar year. Our point is that we should give the American public time to vote on it now and not after the fact. But we will certainly have a supplemental request.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MAHON. Mr. Chairman, I yield 20 minutes to the gentleman from Florida [Mr. SIKES].

Mr. GROSS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Fifty-nine Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 152]

Baring	Hawkins	Morris
Bonner	Hays	Morrison
Bow	Holland	Pool
Brown, Ohio	Horton	Powell
Colmer	Karth	Reid, N.Y.
Cramer	Kluczynski	Roncalio
Ellsworth	Landrum	Ryan
Evans, Colo.	Leggett	Thomas
Green, Ore.	Lindsay	Toll
Hall	Mackie	Wilson
Hansen, Wash.	Martin, Ala.	Charles H.
Harvey, Ind.	Mathias	Zablocki

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. KEOGH, Chairman of the Committee of the Whole House on the State of the Union reported that that Committee, having had under consideration the bill H.R. 9221, and finding itself without a quorum, he had directed the roll to be called, when 395 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from Florida [Mr. SIKES] is recognized for 20 minutes.

Mr. SIKES. Mr. Chairman, first, let me express appreciation for the privilege of working with one of the most effective teams that I have ever known, and I refer to the Defense Subcommittee of the Committee on Appropriations.

My associates are skilled and dedicated men. Our staff is expert and effective. In the chairman of the subcommittee—and he also is chairman of the full committee—we have in the distinguished gentleman from Texas [Mr. MAHON] one of the strongest and one of the best-informed leaders in the history of the Congress. In my opinion the accord with which the House of Representatives has received appropriation bills during this session bespeaks the confidence in which this distinguished gentleman, the chairman of the committee is held.

Mr. Chairman, permit me also to single out for individual mention the distinguished gentleman from California [Mr. LIPSCOMB].

He is the ranking Republican member of the subcommittee. He was thrust this year into that position. It is a position of great responsibility, and one fraught with difficulty. He has performed in an outstanding manner, and has rendered a significant contribution.

I feel that this committee and the Congress can take pride in the contributions which have been made here toward building the strongest defense America has ever known. That is the status of our Armed Forces today, and it is possible not only because of the efforts and the determination of those in uniform and those who make up the secretariat and the civilian components of our defense system, but also it is true

because Congress has vigorously supported the concept of a defense second to none and because Congress has reserved the right to speak out when it was felt corrective steps or additional measures were required.

It is rather significant that emphasis in the past few years has been increasingly toward conventional weapons rather than the superweapons which we emphasized during the 1950's. There is and must continue to be a combination of both. But the weapons and the techniques which are being used primarily today are predominantly those of conventional warfare. The elaborate, sophisticated designs which capture our imagination and consume limitless dollars are not the weapons which are paying off in the jungles in Vietnam. Wars still are won by capturing and holding the enemy's territory. The problem today in Vietnam is simply that so much of the territory is now held by the Vietcong, and the South Vietnamese have not been able to develop sufficient strength to retake that territory and hold it. They are stretched thin; so thin that any serious breakthrough by the Vietcong now would almost certainly result in American forces being thrown in to hold the breach. That is why American forces are there in ever-increasing numbers.

I share the concern expressed by some of the members of this subcommittee that the budget estimates before us do not provide a realistic view of the actual requirements of the military in fiscal 1966. Undeniably, more men, money, and weapons are going to be needed to meet the military crises of the period. Those who persevere sufficiently to read the hearings will find that time after time I queried principal witnesses on the sufficiency of this budget to meet escalations which had not taken place at the time of the hearings, but which have taken place since. The answers in most instances made no realistic forecast of what has since happened and of what may happen to greater degree in future months. Quite frankly, it sounded too much like "business is usual." When you have a bear by the tail, there is no point in saying you are just exercising your grip.

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

Mr. SIKES. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. I thank the gentleman for yielding.

I want to call the attention of the Members of the House to the fact that the gentleman now in the well is making a profound statement. We do have a bear by the tail, whether some people want to admit it or not. It was my pleasure and privilege, with a few other members of the Science and Astronautics Committee, the Armed Services Committee and the Committee on Interstate and Foreign Commerce, to attend the International Air Show in Paris over the last weekend.

We saw there that the Communists, primarily Russia, were exhibiting for all to see airplanes and military equipment that are examples of that kind of imagination and preparedness that the gentle-

man is speaking of so eloquently now and which we seem to want to forget. The Russians have produced and are producing now the kind of airplanes that we talk about building some time in the future. That situation is not in any way limited to airplanes alone. The sun may be shining in Moscow today but it has not thawed the cold war enough for us to go back to sleep and forget that we are engaged in a war of ideas for the control of men's minds. At that exposition we saw too something of the efforts of the Russians in space. Those of us who speak about the peaceful use of space, and the idea is noble, can be lulled to sleep if we forget that whoever controls space is going to control the peace in time to come. Research and development will give us military space capability. So the gentleman speaks with full knowledge of what we are confronted with if we do not use our imagination and ability to provide for the conventional and super weapon needs of the military to keep this country the strongest power on the face of the earth. The peace cannot be preserved any other way.

I personally appreciate the efforts of the gentleman from Florida, the gentleman from Texas and those members of this committee who are voicing these opinions at this time. I support them.

Mr. SIKES. I am very grateful to my distinguished friend for his contribution.

Now, Mr. Chairman, quite understandably those principal witnesses who were reluctant to admit a need for men and money and machines during the coming fiscal year did not want to sound like prophets of doom. They are confident of the capacity of our forces to meet the responsibilities which may be placed upon them and possibly this confidence is sufficient to excuse what I considered to be a lack of realism.

We must recognize the fact that, after all, \$45 billion should buy and does buy a lot of defense. But it is well to note that this subcommittee in this bill added funds in certain critical areas. We are on record as recognizing deficiencies.

As the grimness of the situation in South Vietnam intensifies, let me make these two observations. First, we are committed to fight in South Vietnam and we must win. It would be wholly ruinous to our prestige and to our hopes for the recognition of our future aspirations anywhere in the world if we were to forfeit our commitment in Vietnam. That means we must accept the possibility of an escalation of the conflict. Possibly we can engage the Vietcong with present forces, but not with present funds.

Only the Red Chinese can cause an escalation sufficiently large to require an all-out effort on our part. The experts are agreed that such an escalation would be extremely dangerous to Red China and she is unlikely to provoke such a conflict by sending mass armies into South Vietnam or into the neighboring states under the present circumstances.

Sometimes, the experts are wrong, but whether they are right or wrong, we have no choice. I think the American people recognize this. I see no disposition on

their part to want to withdraw. If I know the American people, they want to get on with the winning of whatever it is we are involved in. Once we got ourselves similarly involved in South Korea, but then we made the serious mistake of attempting to extricate ourselves short of victory. We compromised. By so doing we gave Red China world recognition and world prestige she never could have obtained otherwise. And we cheapened our image just as much. And nothing was settled. Red China is our real enemy of the future, and there is no point in backing away from trouble with Red China now or in the future. We will do better if the world knows, and if Red China knows, that we are ready, willing, and able to settle that problem whenever it comes.

For years we have maintained a strong defense and in the immediate past few years it has been the strongest in history. Sometimes strength breeds overconfidence and people who are overconfident become vulnerable. We may be overconfident in some areas and one area of especial concern to me is that of aircraft development.

As my friend the gentleman from Louisiana pointed out a few moments ago, some of our colleagues who went to the Paris Air Show believe the Russians stole that show. Some who are experts are downgrading the new Russian planes. But the planes were there and they flew. The Russians already have spectacular planes of the future which we do not have. They have the planes we are talking about building.

That is a serious matter. It is a serious thought that the huge cargo plane, the C-5, the advanced jet transport, and the huge helicopter, all of which are in the process of development in this country, are being flown by the Russians.

We are planning rather vaguely for a follow-on bomber to replace the aging B-52. We have to face up to the fact that the Russians may already have a follow-on bomber. No, we have not seen it, so we assume it does not exist; but we had not seen the new cargo plane, the new jet transport, and the new helicopter prior to the Paris Air Show. We could be in for another rude awakening.

In the meantime, at home, the Navy version of the much-discussed TFX is in trouble, and its weapons system is in deeper trouble.

We have talked too long about designing, planning, and cost, and not enough about getting things done. We are developing blind spots. We see only what we want to see.

Mr. Chairman, there was a time when this committee could call in the heads of the major commands and gain from them valuable information about the areas of greatest emergency. In cases where that emergency had not been appropriately recognized in the high places, this committee supplied a remedy. I believe we contributed substantially to the Nation's defense effort in the process. But it is becoming increasingly difficult to get that kind of testimony. A Pentagon ruling has substantially tied up all information other than the official Department of Defense line, even to the

committees of the Congress, and that is not a wholesome situation.

The directive on the subject of congressional appearances by Department of Defense witnesses, issued in January of this year, puts witnesses in a straitjacket when they are asked for personal opinions before congressional committees. This has been referred to editorially as tightening of civilian reins on the military. To me it appears restrictive to the point that it discourages thinking within the Department of Defense and prescribes blind obedience to the official line. I am distressed to think about the future of our Armed Forces if its personnel are not permitted to have thoughts about the way the job can best be done. This sort of thing can be carried to an extreme.

Now, let me talk rather briefly about a few of the items which make up this complex and costly bill.

I find myself more and more concerned about the increase of personnel in OSD and DIA levels. The numbers have grown amazingly.

In fiscal year 1961, the number in OSD was 1,453. Proposed for fiscal year 1966 is 2,023.

In the first year of the Defense Intelligence Agency, on October 1, 1961, the number assigned was 71. The number proposed for fiscal year 1966 is 3,882.

Perhaps some of this is necessary, and perhaps some of it is "empire building." I am certain not all of it is necessary.

Some 3 or 4 years ago we began a substantial buildup in procurement of missiles and equipment for the Army. The Army had reached a low level of readiness insofar as modern weapons and equipment were concerned. By maintaining a high level of procurement for this need in the intervening years, we placed the Army at its greatest strength in years. This year there has been a cutback in the procurement appropriations. Last year's procurement appropriations were \$1.6 billion, and that figure was down from the previous year. This year it is \$1.2 billion. Yet the Army has just engaged in the Dominican crisis and is heavily committed in South Vietnam. It is totally unrealistic to begin a downward trend in procurement of weapons and equipment at a time when our supplies are being burned up at a much heavier rate, with every prospect of greater requirements in the future.

I find a few who share my concern, but I am concerned by the fact that we plan fewer and fewer aircraft, each of them carrying bigger and bigger cargoes in our strategic and logistic forces. To me, this is inconsistent because of improved ground defenses against aircraft. Every year ground defenses against aircraft are getting better; yet we propose to send fewer aircraft against those better defenses.

I do not know how many will be left to get through.

The action of the committee—and I want you to hear this—the action of the committee continues the status of the Reserves and the Guard just as they were prior to the McNamara proposal for consolidation. Funds are provided for drill pay units at the approximate

present strength of 650,000. That is 100,000 more than the Secretary proposed. It is expected that this will be divided according to present levels which are 376,000 guardsmen and 267,000 Reserves.

The committee report states that this action is not to be construed as taking a position pro or con on the proposed merger. Before the Secretary takes that bait and runs under a log, let me point to a number of items of significance.

The Secretary of Defense proposed to accomplish the merger of the Reserves with the Guard with no legislative authorization but with a single line item in this appropriation bill. It was quickly pointed out that this was not a proper proposal; that if such a merger is to be accomplished, it requires hearings and legislative action by properly constituted legislative committees of the Congress. This has been agreed to by the Secretary of Defense. In the meantime, the Committee on Appropriations has disapproved the proposal to reduce Army Reserve Forces strength and is appropriating sufficient funds to carry the present program forward. This I think is entirely proper. The United States may soon need every trained and experienced military person this country has. The reservists are entitled to their right to be ready. We have not won a war yet without them, and I doubt that we are going to in our time.

The Congress time after time has thrown its support behind a trained, well equipped, and combat effective program utilizing both the National Guard and the Reserve. The proposals made earlier this year for a merger have been injurious to morale and have done damage to the national defense in critical times. It is unfortunate that the Congress was not taken more into the confidence of the Department of Defense in preliminary considerations of this matter.

I do not want to dwell too long on this subject, but I do feel that I should refute a statement that has been made repeatedly by Defense witnesses to the effect that the Reservists are not adequately trained or properly equipped. I respectfully submit that no one is at fault in this but the Department of Defense. The Reservists have done the best they could with what was made available to them. They always were at the bottom of the list. The Congress provided all of the equipment and all of the training programs of the Reservists that have been recommended by the Department and more money than the Department has been willing to spend.

Meantime, the Secretary of Defense, both in public hearings and in press conferences, has stated that he expects to abide by the expressed wishes of the Congress and that if this merger proposal is disapproved he will go forward with intensive training of both the Reserves and the Guard. I hope this also means that steps will be taken to rescind actions now in progress toward implementation of the merger and that a program will promptly and positively be set in motion to offset the bad morale, in the Reserve Forces created by the announcement of December 12.

Finally, let me emphasize again the fact that both in line items for personnel and for operation and maintenance, the merger is not approved.

Mr. FLYNT. Mr. Chairman, will the gentleman yield to me at that point?

Mr. SIKES. I yield to my distinguished friend from Georgia.

The CHAIRMAN. The time of the gentleman has just expired.

Mr. MAHON. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. FLYNT. Mr. Chairman, I congratulate and commend the gentleman from Florida for the statement which he has just made. I would like to associate myself with his remarks.

The distinguished and able gentleman from Florida has made a comprehensive study of the personnel requirements of every segment of our military forces. His words should be listened to by those who serve in the Department of Defense as well as those of us who serve in the Congress.

He has spoken of the requirements for a strong military establishment capable of preserving the position and posture of strength of the United States of America.

Mr. Chairman, I sincerely hope that the words of our colleague from Florida will not go unheeded.

Mr. SIKES. Mr. Chairman, my distinguished friend from Georgia is most generous in his comments.

Mr. RIVERS of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the distinguished chairman of the great Committee on Armed Services, the gentleman from South Carolina.

Mr. RIVERS of South Carolina. Mr. Chairman, I want to commend the gentleman on a very comprehensive and knowledgeable statement. It indicates the deep and intense dedication of the gentleman from Florida. I know of no one more qualified to speak on the areas to which he has so eloquently addressed himself and I want to associate myself with him.

In the area of the B-52 bombers, I think the events of that mission to Vietnam indicate the need for modern arms. We have urged the Secretary to get on with the program definition of the followthrough of the B-52. Time is wasting.

At the Paris airshow which I visited, the indications are that Russians are building very good airplanes. We saw a helicopter there that is quite capable of lifting very heavy loads. These aircraft and these programs are working. The gentleman knows whereof he speaks.

We have urged the Secretary to get on with the program definition of the C-5A and it is hoped this will come this summer. Time is of the essence in these areas.

I am fearful and the Nation had better be fearful. Somebody in the Defense Department should be more interested in personnel warfare and more knowledgeable in manned systems. This is true of the improved manned interceptor which we do not have. Of course, we do have a fine airlift and we are implementing it every day. The 141's are coming in fine

and fast but we need the C-5A. Nothing is more important.

Mr. Chairman, speaking of the Reserves, the Nation sees now that our Committee on Armed Services was wise when we did not accept the merger of the Guard and the Reserves at this time. We are determined not to go in headlong on these programs unless and until a worthwhile case has been made in the interest of the security of this Nation.

The things which worry me should worry every member of this committee and the Congress. One of these things is that the Guard and the Reserves have not been given the missions of which they are capable. This is eroding their dedication and is destructive of their morale. These things concern us. Had the Reserve components been given the missions and the equipment things would not be as they are.

Mr. Chairman, the gentleman has made a very eloquent statement to you. Read it. You would do well to listen to him. Our committee has not the remotest idea of carrying out some of the recommendations about which you have read unless and until we go into them fully, because we are your agents. Unanimously the Congress made me chairman of the Committee on Armed Services. I am determined. I do not care what happens. I do not care what controlled group of columnists, blackmailers, libelers, and slanderers speak against me and vilify the committee over which I have jurisdiction as a result of your dedication. I am determined, so help me God, to carry out my constitutional mandate and provide this country to the limit of my capacity—and I speak for 37 Members of the House—with the best military in the world, because of your direct charge to me.

Mr. Chairman, I thank the gentleman from Florida for giving me this opportunity and for his statement with which I can find little to disagree.

Mr. SIKES. Mr. Chairman, the gentleman from South Carolina [Mr. RIVERS] has made a significant contribution, just as his leadership provides significant contributions to the work of the Congress.

Now, to move to the general subject of the availability of personnel for military service.

For a long time, we have been concerned with competition by industry for trained military personnel. There is now a new problem—that of competition for personnel by the Economic Opportunities Act. There are cases where it is more advantageous financially to join the poverty program than it is to join the military services, and, in addition, it is safer and less exacting. For them, there are no Vietcong bullets. To join the military, a man must meet basic requirements of mental and physical competence that the average Job Corps enrollee would fail. But, if the Job Corps enrollee uses his training as a way to qualify for enlistment, he will have to take a pay cut to join the military services.

This is not a matter to be taken lightly. We cannot afford a decline in armed services enlistment. Yet enlistments

are down. But, now there is competition at both ends of the line for the men who are needed in uniform. A sense of high value is imperative in the training of our youth. We are not encouraging this sense of values when we place a premium on nonachievement. One answer is a pay raise bill which has been proposed and which should be enacted.

We talk of rapid transport equipment on land and sea for military forces and supplies, but we are building only token numbers of this new equipment. Unquestionably, we now have great need for means of rapid transport in faraway corners of the world. Prototypes do not supply the support that combat forces need. I think this program should be stepped up materially.

There is renewed emphasis this year on a manned orbiting laboratory. I question that there has been sufficient effort in military in space research. It is all but incredible that after 7 years of space research so little has been accomplished in the field of the military space effort. There has not been a lack of expenditure. Nearly \$2 billion a year is now being spent in developing the military potential in space. Yet, we have very little to show for it. I am not certain that sufficient stress is being placed on this area now. The manned orbiting laboratory should not be our only functional accomplishment. In any event, the manned-orbiting laboratory is past the talking stage and we expect to have some hardware in that category at least.

Now, Mr. Chairman, there are many things that I would like to discuss, but I shall conclude with only this statement.

My discussion at times today has been critical. That criticism is intended to be constructive. I take great pride in America's military organization and in its personnel. I think it is the best in the world. That does not make it perfect, and I am sure that I can be excused if I insist upon improvement in those areas where I consider it less than perfect.

Mr. Chairman, I have worked with the military organizations for many years. I have tried to view them objectively. I am certain that Congress has the responsibility to prod our Government and its agencies in the right direction to the extent that we are endowed with the ability and discernment to do so.

So, now, Mr. Chairman, I salute a great and effective organization, the military forces which I believe are a better organization because of the insistence of the Congress.

Mr. LIPSCOMB. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. LAIRD].

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

Mr. LAIRD. I would be happy to yield to the distinguished gentleman from California.

Mr. MAILLIARD. I thank the gentleman from Wisconsin.

Mr. Chairman, I have asked the gentleman to yield in order that I might pose a question to the chairman of the committee.

Several weeks ago, in reading the hearings, part II, on "Operation and Maintenance," beginning on about page 252, there is considerable discussion of the use of naval ships in Operation Steel Pike.

The witness for the Department of the Navy inadvertently, I am sure, put some very incorrect information into the record. I contacted the Department of the Navy and I understand that they have sent a communication to the chairman of the committee correcting this record.

In order that such correction may be printed—and it has not been previously printed—I wonder if the gentleman from Texas would at least state its contents at this point in the RECORD?

Mr. MAHON. Mr. Chairman, will the distinguished gentleman from Wisconsin yield?

Mr. LAIRD. I am happy to yield to the gentleman from Texas.

Mr. MAHON. I am pleased to respond to the question of the gentleman from California.

Admiral Ensey wrote me a letter on May 3, 1965, making reference to the gentleman from California [Mr. MAILLIARD] and to the error which the admiral made. In that letter he expressed regret as to the incorrect statement which had been made.

Mr. Chairman, at this point in the RECORD, if permission is granted later, I shall insert either the letter or the chief contents of the letter. It is obvious that Admiral Ensey did not make the facts clear in his previous statement. The letter from Admiral Ensey is as follows:

MAY 3, 1965.

HON. GEORGE H. MAHON,
House of Representatives,
Washington, D.C.

MY DEAR MR. MAHON: Congressman MAILLIARD has called to my attention that a part of my testimony on February 19, 1965, at the Operations and Maintenance, Navy, hearings appears to be in error and suggests a departure from the Navy's traditional position in support of the U.S. Merchant Marine. When asked what merchant ships were used in exercise "Steel Pike I," I replied that they were old conventional World War II standard merchant ships. While I regret having to initiate action to set the record straight, I appreciate having this brought to my attention by Congressman MAILLIARD and the opportunity his appraisal affords to clarify my position.

I was incorrect in indicating that all ships used in the exercise were of World War II construction. As is now generally known, a large percentage of the ships were modern, subsidized cargo ships. Certainly these new ships contributed substantially to the success of the exercise and provided an impressive display of modern merchant ship capabilities in a simulated wartime environment.

The overall objective of my testimony in this matter was to make it quite clear that there is no merchant marine capability, old or new, which can substitute for amphibious ships, integral to our fleets and specifically designed to meet the needs of our Navy/Marine team for landing in amphibious assault. Clearly, modern, high-speed merchant cargo ships are essential to meet the heavy demands for material supply and resupply of our troops ashore. It was in this context that I endeavored to draw a distinction between those ships which must be designed for our specific amphibious assault requirements in the initial assault landing ashore and those merchant ships which, on

the other hand, are needed to augment our Navy capability and to sustain us through successive phases of the total operation.

I believe this is a logical and fair assessment of the differing roles of Navy ships and merchant ships in the complex amphibious operation. It was my intent to emphasize our militarily peculiar amphibious ship needs. It was not my desire to do so in a manner suggesting any degradation of the vital role which the merchant marine, too, must play.

I would much appreciate your consideration of this clarification of my views and request your assistance in setting the record straight in such manner as you may deem appropriate.

Sincerely yours,

LOT ENSEY,
Vice Admiral, U.S. Navy.

Mr. MAILLIARD. Mr. Chairman, if the gentleman from Wisconsin will yield for one more second so that the members of the Committee will understand. Admiral Ensey inadvertently indicated that the merchant vessels which were used in this amphibious assault in Spain were unsatisfactory or World War II vessels. As a matter of fact, they were highly satisfactory, brandnew vessels, for which the Congress has recently appropriated the money to build and as a member of the Committee on Merchant Marine and Fisheries I simply did not want this statement to stand unchallenged in the RECORD.

Mr. MAHON. Yes.

Mr. MAILLIARD. I thank the gentleman.

Mr. LAIRD. Mr. Chairman, I would like to associate myself with the remarks of the gentleman from California who has made an objective and penetrating analysis of the situation.

By now, it is no secret that a precedent has been set on the Defense appropriation bill inasmuch as this is the first time additional views have been filed at least in the 13 years it has been my privilege to serve on this committee. It should be made clear that these are not minority views or opposition views but are properly entitled additional views.

There is good reason for the precedent we have set here today. All minority party members of the Defense subcommittee support this bill but feel very strongly that another year cannot go by without expressing our very deep concern about certain overall policies that have become a hallmark of our present defense program. We also feel it necessary to express concern about certain specific aspects of the bill which is before this House.

Mr. Chairman, members of my party have gone the extra step to support our President and this administration on every question thus far raised in public debate when the national security of our country has been involved. It has been members of the President's own party who have been leveling a constant barrage of criticism against the administration's foreign policy especially in regard to Vietnam.

I have supported the Secretary of Defense on many occasions. Secretary McNamara has been overridden by his own party's majority in the Congress in such areas of concern as base closings,

reserve programs, pay scales, and other controversial proposals.

It is my own conviction that no minority Member should ever allow himself to be cast in a position where he cannot question or sincerely criticize military or foreign policy when there is legitimate cause for concern. Much of the concern which we, the minority members of the Defense Appropriations Committee, share has been very ably discussed by the gentleman from California and I would once again like to indicate my strong concurrence in the views he has expressed.

For my part, Mr. Chairman, there are two specific areas which deserve additional comment: the budget guidelines and their effect on Vietnam; and our advanced development efforts with particular emphasis on the antisubmarine warfare program.

BUDGET GUIDELINES

Mr. Chairman, the testimony before our committee on the establishment of budget guidelines—a euphemistic description for budget ceilings—was devastating. A cursory glance at the quotes in the additional views contained in our committee report demonstrates this fact. Major General Crow, for example, who is Director of Budget, Comptroller of the Air Force, as late as March 26, 1965, told our committee that the budget guidelines did not anticipate increased activities in Vietnam and that these guidelines were really a carryover of the guidelines that were used in the preparation of the fiscal year 1965 budget, guidelines, I might add, that were formulated in 1963.

If this statement by General Crow is accurate and there seems no reason to question it, one can only express astonishment that the Defense Department considered 18-month-old budget guidelines adequate for the needs of 1966 when the entire picture of the Vietnamese situation has changed so radically.

As a matter of fact, Mr. Chairman, it is not my belief that the Defense Department really considered these 18-month-old guidelines adequate. Rather another and more logical explanation presents itself in light of recent developments.

In January of this year, the fiscal year 1966 budget was sent to the Congress by the President. It contained estimated expenditures that were just barely under the much publicized \$100 billion budget ceiling. Yet, this budget also contained many very costly new domestic programs such as the Appalachia bill, the aid to education bill, and medicare.

The seemingly impossible had apparently been done. A budget was submitted below the \$100 billion ceiling without any apparent need to forgo new and costly domestic proposals.

In my view, Mr. Chairman, this was possible because the administration undoubtedly must have known that the Defense budget could initially contain requests for a great deal less than was actually needed. It was clear that the Congress has never, nor is it likely that it will ever deny the funds necessary to carry out our country's defense needs.

This fact was demonstrated in remarkable fashion when the \$700 million

supplemental to the fiscal 1965 budget was requested earlier this session to partially fund our increased activities in Vietnam.

It will be demonstrated again in January or February of next year, if not sooner, when another supplemental request will be submitted for the fiscal 1966 budget to remedy the inadequacies in the bill that is before this body today.

Mr. Chairman, I have no doubt that Republicans will support that supplemental for fiscal 1966 just as they did the \$700 million supplemental of a few weeks ago. But I also have equally few doubts about the fact that Republicans on that occasion will not refrain from telling the American people of their extreme displeasure at the cavalier way in which this administration sees fit to inject political considerations into its defense proposals.

It is about time that the American people be made aware of the fact that they get only one widely publicized look at a fiscal year budget. That comes when the budget is submitted. Very seldom, if ever again, is the total budget for a particular year added up and presented to the American people in the same clear and widely publicized fashion.

Few Americans, for example, have forgotten that the estimated expenditures for the fiscal year 1966 budget were \$99.7 billion. But few Americans will ever realize that when all the supplementals are totaled in, the expenditures will be well over the \$100 billion figure.

Mr. Chairman, this initial cutback in defense funding requests in order to finance costly domestic programs and still keep the estimated expenditures under \$100 billion is one explanation for the inadequacy of funds for our increased activities in Vietnam. But there is another, equally plausible, explanation.

It is possible that the administration did not anticipate the continuing need for increased activities in Vietnam. It is probable that our policymakers—when the initial decision to go north was first taken—felt that negotiations would be agreed to within a short time after our air strikes began.

If this in fact was the reasoning within the administration, an analogy exists between the Vietnam situation of today and the events that led up to the Cuban missile crisis of 1962. It should not be forgotten that our top foreign policy advisers and intelligence analysts disregarded the evidence that missiles were being introduced into Cuba because they felt that the Soviets would not attempt such a thing.

It is equally possible that our top foreign policy advisers and intelligence analysts felt just as strongly when the decision to go North was made that the Communists would be willing to negotiate in a very short time and that our air activities and increased commitment in Vietnam would be a short-term affair and would not require a sustained and costly effort. It is even possible that this view persists even today, which would explain, at least in part, the reluctance to revise the budget in anticipation of a continuing need to sustain our war effort in Vietnam through 1966.

If this reasoning is valid, Mr. Chairman, it can only lead to the conclusion that the administration expects the war in Vietnam to be slowed down or halted either by a capitulation by the Vietcong—hardly likely in light of their successes on the ground and our reluctance to hit significant military targets from the air—or by a negotiated settlement—which seems to be our present first choice.

These remarks should not necessarily be taken as a criticism of the administration's assessment of whether a negotiated settlement is in the cards in the near future. But criticism is justified of the administration's apparent willingness to gamble that their assessments are correct without properly planning for the contingency that negotiations will not be agreed to by the Communists in southeast Asia. This is the same sort of gamble that was taken and lost in regard to the Cuban missile crisis of 1962.

At the very least, we should provide for a hedge on the probability that negotiations will not be forthcoming or have immediate results in the near future. We all remember the Korean negotiation.

Mr. Chairman, it is my own conviction that one or the other or a combination of the two explanations I have described account for the refusal to request adequate funds for our increased activities in Vietnam. Neither explanation, in my opinion, is a justifiable one for taking risks we can ill afford.

It should not be forgotten that we have committed thousands of American lives as well as American prestige. Both the lives and the prestige must be adequately supported in order to minimize American casualties and loss of American prestige.

Closely related to these concerns is the need for recognition that we are playing a dangerous game in regard to other present and future possible commitments of men and materials. I would caution very strongly, as was done in our additional views, that equipment and military priorities for Vietnam must not be permitted to deplete Active Forces inventories as to impair the readiness of our forces not committed to Vietnam. Presently we have encountered an added requirement as a result of our actions in the Dominican Republic. It has been said by many in authority that the possibilities of another incident like the Dominican Republic are very likely. Although we cannot anticipate such events with a high degree of probability, or estimate precise requirements in the event they do happen, allocations must still be made in a budget so that should they happen, we will be prepared.

The question, therefore, is more than the adequacy of funds in the budget, it is also the thinking and the approach which has been used to prepare that budget. On both counts, the budget that is before us reflects a serious problem that demands a serious reassessment by the administration both from the standpoint of planning and funding.

ANTISUBMARINE WARFARE

Mr. Chairman, in the whole area of advanced developments, there are many areas that give rise to concern. The

gentleman from California has discussed several of them. We are convinced that military effectiveness is largely determined by the state of scientific and technological advancements. Our purpose is peace and freedom but to attain that purpose in light of the threat we face, new weapons systems must be aggressively pursued. Testimony during the hearings reflected an approach falling far short of what we believe must be done in this vital area so long as the threat remains and the pace of technology continues to advance.

Mr. Chairman, an area of particular concern involves our efforts in the area of antisubmarine warfare. The problem of ASW is one of the most crucial problems we face as we look into the future.

An assessment of the threat demonstrates that it continues to increase significantly.

An analysis of our technological capability clearly indicates that the complexities of the problem will continue to multiply.

These evaluations were admitted during the course of our hearings and, in fact, Secretary McNamara himself stated:

I think we do not yet have a satisfactory capability to defeat an attempt by the Soviet Union to launch ballistic missiles against our cities from their submarines.

The Navy testified that the problems are becoming increasingly more thorny as we look into the future.

Though we were told the threat and the problems are increasing, we were also told that the ASW budget in research and development was very "tight." This appears to be somewhat of a contradiction.

Since research and development will be the critical area where solutions will be found, the planning of the budget should reflect a flexibility to be able to pursue a number of approaches. Not only was the budget "tight," but it emphasizes operational effort. While we do need improvements in our operational systems, the key is in new concepts and in new systems.

But, Mr. Chairman, even in the operational area we find that the Secretary of Defense cut approximately \$289 million out of shipbuilding and conversion for ASW. As part of this reduction he cut the Navy request for destroyer escorts by 6, from 16 to 10.

He requested no funds in research and development to continue the regenerative turboprop program even though, Admiral Raborn, 2 years ago, described this as one of the most important developments as far as research and development was concerned. In fact, it would increase the range and capability of the aircraft at least 25 percent and at that time was given top priority.

For the fiscal 1966 budget, the Navy had requested funds for the regenerative turboprop program but they were denied by the Secretary of Defense. This was considered a very important item as far as ASW is concerned, and yet we find Secretary McNamara stating before our committee that, "further study has convinced us that it is unlikely that this en-

gine will be retrofitted into existing aircraft or installed in a new aircraft during the next decade."

Mr. Chairman, although this engine can in fact be retrofitted into the P-3 aircraft which would significantly add to its ASW capabilities, it seems that we will not have it. It seems we can also assume we will not have a new ASW aircraft.

These decisions and the approach they represent certainly do not seem to reflect the level of effort necessary to cope with the threat and the technological problems which have been described.

The whole area of antisubmarine warfare is an urgent requirement recognized by all competent experts and which needs adequate funding. But perhaps even more importantly, it needs the kind of planning and decisionmaking that recognizes the severity of the problems and the critical nature of timing.

Though the full effect of the decisions we make will not be realized until the late 1960's or early 1970's, it should be recognized that new weapons systems, as the Secretary of Defense has told us, take anywhere from 10 to 15 years to fully develop and become operational. This problem therefore, must be attacked now. I urge the Department of Defense to consider revising its ASW budget to a higher level of effort in order that it can pursue this problem more aggressively and purposefully.

Mr. Chairman, few would disagree with the statement that the foreign policy of this country determines in large measure the defense posture we will attempt to maintain. One of the primary purposes of the additional views that were submitted was to discuss the foreign policy aspects of this administration with particular emphasis on the assessment of the threat which we face.

One does not change overall foreign policy in an appropriations bill but one can question, in discussing the adequacy of an appropriation bill, the foreign policy which, in large measure gave rise to the funding requests which determine our level of effort in the defense establishment.

This is the crux of the matter. Based on foreign policy assessments of the threat which we face, the administration's defense policy reflects more of an attempt to achieve a balanced deterrent or a parity of defense forces rather than insuring a decisive superiority.

What is needed more than anything else is a curtailment of our tendency to view conditions in the world as we would like them to be and view them instead as they actually are.

We must view the world realistically, recognizing that an aggressor does exist, who seeks to dominate the world, and is building up a capability to do so. This recognition demands an approach which dictates superiority—military, economic, technological, and political.

To do less, based upon the progress of events in the world, would be to invite disaster rather than assure peace.

Mr. Chairman, our primary concern at this time involves the late 1960's and early 1970's. It is during that time pe-

riod and beyond that the effects of today's decisions will be felt.

It is up to our leaders today—in foreign and defense policy—to make realistic assessments of the needs of tomorrow.

Mr. Chairman, it is up to the Congress to see that they do.

Mr. MAHON. Mr. Chairman, I yield myself 1 minute.

Some reference has been made to the \$100 billion expenditure budget for the fiscal year 1966. I believe we all know that the appropriations budget, that is, the new obligational authority for this year, is approximately \$106 billion. The estimate of the executive as to the expenditures is still, as I understand it, about \$100 billion, and I hope we make that.

With respect to the adequacy of the bill, I believe we all recognize that additional funds will be required if the conflict continues to escalate in the Far East. We do not know how much will be required at this time. We will provide the necessary funds at a later date. I am sure we will all join together in that. I am sure the executive branch realizes, as we do, that there will be additional costs. Until we know in reasonable detail what those costs are apt to be, it would not be prudent to make the appropriations.

With respect to the overall readiness of the forces, I wish to say, for Secretary of Defense McNamara, that the increase in the readiness of the forces has been nothing short of phenomenal during the time the present Secretary of Defense has occupied that position. A tremendous and spectacular improvement in readiness has been wrought. It is a consolation to the American people, I believe, to know that under the management which has been provided we have been able to present a much greater degree of readiness than ever before in the history of the country, as I have noted in detail earlier. The Secretary has provided leadership of the highest quality.

Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, I wish to join with the gentlemen who have preceded me as to the hard work and mastery of this subject, not only on the part of the chairman of the full committee and the chairman of the subcommittee, the gentleman from Texas [Mr. MAHON], but also the gentleman from Florida [Mr. SIKES], and the gentleman from California [Mr. LIPSCOMB]. In fact, I could include every member of the subcommittee, and particularly the gentleman from Pennsylvania [Mr. FLOOD], whose knowledge of matters military is unsurpassed in the Congress, in my judgment.

Before we get excited about the matter of how much money is in the Defense budget, and how much is available to meet the needs which may arise from Vietnam, I would review for a moment a point I have made in years past—that the policy of full funding which we follow, in my opinion, is not called for. As Members know, individually I have felt

that to be a poor practice. Of course, all contractors with the Defense Department want full funding. They know that if we provide the full amount of money at the outset for a completed contract, it is less likely that the contract will be canceled. They know we are apt to let the contract go ahead to completion, even though we may change our minds and doubt whether we really need all that we may have contracted for. Too, the Department of Defense likes full funding, for it makes it easier for the Department to transfer funds to uses for which funds were not, and perhaps, could not have been obtained. Of course, I have not had my way on that issue. As a result of full funding at the outset of a contract or program, however, we certainly do not need to worry about whether the Defense Department has enough money to meet any emergency which may arise.

As shown on page 20 of the report, the Department has \$8.5 billion which is not even obligated, and which would be available to meet any emergency which might arise. On that same page, Members will see that they have approximately \$30 billion not yet spent which they could use to meet any emergency which might arise.

Of course, the Congress thereafter would have to bring about such balancing of the funds, including provision of additional funds as the circumstances might require.

Insofar as the Federal budget being \$100 billion or not is concerned, it would take a lot of figuring to decide exactly what it is. However, this is a common complaint against whatever administration or party is in power. I have made it myself on occasion. I could make a good record against it, and I could take another set of figures and make a record for it. It seems par for the course when political issues are brought up.

But I do want to tell the Members that we need not worry about this Defense appropriation bill, for funds on hand, plus those in this bill, certainly will meet any foreseeable emergency.

Since I have taken the floor there are one or two things I would like to point out. I went on the Appropriations Subcommittee on Defense Appropriations in 1943. Through the years we have seen much, much waste, which we have tried to eliminate. I recall a few years ago the only time I ever filed "supplemental views"—and may I say, on request, in that instance—complaint was then made that we had not provided sufficient funds. At that time I pointed out that the Air Force had what it called Operation Smoke-Out where it developed they had some \$4.5 billion, I believe, in various dormant accounts in the Air Force which were smoked out and recouped from themselves. As I recall that report, I pointed out that we had 177 shifts of command resulting from General LeMay becoming Air Force Chief of Staff at a cost of hundreds of thousands of dollars. Since then I am glad to say this subcommittee, under Mr. MAHON, has set up a system of investigation which, with the cooperation of the Department, has resulted in great improvement.

Mr. Chairman, I wish to say, as I did in the hearings, no Secretary of Defense since Secretary Forrestal, has come nearer to mastering his assignment, of gaining full knowledge about the total Pentagon operations than has Mr. McNamara. His detailed knowledge of the various military services from a financial standpoint exceeds that of any other Secretary of Defense. He is brilliant, a hard worker, and he has the talent to find the facts, and the courage to enforce his decision far more than almost anyone with whom I have ever come in contact.

As I said in the committee then—and I repeat it here—there is always one fear that we have with a man of that talent, ability, and capacity to act on his knowledge and judgment. That is, 30 days after it is decided by him, he may reach the conclusion that it is right because he decided it. I think he did that on closing bases and on his efforts to consolidate the National Guard and the Reserves. Also Mr. Chairman I would like to see the Secretary devote his time to running this \$45 billion per year establishment, at the Pentagon and leave the military decisions to military people acting on the advice of our most experienced advisers on the Asiatic or eastern mind. Certainly I am no expert in this area. However, in World War II, I spent quite a while with Gen. Pat Hurley in Chungking, China. General Hurley was the President's special representative over there, and I listened to him, learned firsthand of his experiences in the Asiatic world where time means very little and individual human life means virtually nothing, where they were playing poker 5,000 years before this country was discovered by Columbus. I spent some time with General Chennault in Kunming, China, and with General MacArthur in the Philippines. I say here and now, in my judgment, we need to give real thought to whether we are maintaining the proper "face" in areas where "face," "appearance" is so important.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MAHON. I yield the gentleman 2 additional minutes.

Mr. WHITTEN. I say that because I am greatly disturbed. I say this with the greatest admiration for the Secretary of Defense and his capacity in the field in which he is trained.

Gentleman, General MacArthur returned to the Philippines making great effort to show the majesty and might of the American people. By his appearance he made a great contribution to the United States. Later his approach did so much to restore Japan, to bring order out of chaos.

If General MacArthur was right and I believe he was, what we are doing now is wrong. As was pointed out to me by an American just back from years in Vietnam, it is difficult to impress either the Vietcong or the Vietnamese, when moving about over the rice paddies like a boy scout.

Mr. Chairman, the raid of our B-52's is the subject of much controversy. I do not profess to know what the facts are. We may be sure the rest of the world

knows. I had earlier decided not to raise these points, but I think the situation is sufficiently serious in view of the B-52 raid and in view of the pictures of visitors from our Defense Establishment in the rice paddies of Vietnam and the other things which I think go counter to the advice of General MacArthur and of those leaders who were masters in dealing with the people in that part of the world, that I feel compelled to make the point.

I hope that our leaders will reconsider our approach to this matter, because it is getting more serious by the day. You know as I know, I will be here with you supporting and defending whatever policy our Government decides to follow, but it is time that we stop, look, and revise our thinking as to how to proceed in the days ahead.

Mr. LIPSCOMB. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. MINSHALL].

Mr. MINSHALL. Mr. Chairman, this year Congressmen LIPSCOMB and LAIRD and I, the minority members of the Department of Defense Appropriations Subcommittee, have filed additional views to the report on the \$45 billion defense appropriation. We have done so to indicate areas in which we do not agree with policies being carried out by the Department of Defense.

The additional views of my colleagues from California and Wisconsin and I have submitted to the House will point the course for a stronger defense.

The subcommittee has been proud of its reputation for a nonpartisan quest for a defense system superior to any other in the world. I do not suggest that this is now otherwise, but I am convinced that certain inadequacies in the defense budget for fiscal 1966 demand the full attention and concern of the House.

The subcommittee spent months in hearings interrogating hundreds of witnesses—civilian and military. We questioned, at great length, the Secretary of Defense, the Secretaries of the Army, Navy, and Air Force, the Joint Chiefs of Staff, and their numerous backup witnesses.

Our work is represented in over 3,000 pages of testimony cleared for publication in the 5 volumes issued by the subcommittee, but I should like to point out that this is only a part of the information we received in closed session. Once again these published hearings have been reduced in size by the overzealous use of the "Top secret" stamp at the Pentagon to obliterate politically objectionable portions from the public eye.

I support the \$45.2 billion defense budget. But I do want to point out that it is \$2.5 billion less than the budget we reported and passed in the House last year. I do not consider it broad enough in scope to provide for possible future military needs in Vietnam and other world trouble spots. It falls far short of the sights we should be setting for our military space effort in the late sixties and early seventies.

Those who know my record in the Congress are aware that I have never come to the floor during my 11 years of service to ask for additional spending. But I

am now asking the administration to re-evaluate its defense budget to provide for unplanned and unprogramed expenditures resulting from the greater role we are playing in southeast Asia.

It should be brought to the attention of this committee that the guidelines used in formulating the fiscal 1966 budget are at least 18 months old. Testimony taken by my subcommittee indicates they were formulated in calendar year 1963. Not only was the recent escalation in our Vietnamese effort not taken into account, but the increase in activity between 1963 and the end of 1964 when the budget was officially drawn up was not considered.

Although the Defense budget before us today was completed in December 1964, some 2 months before the decision was made to step up our role in the Far East, the subcommittee's hearings extended through May, giving the Department of Defense every opportunity to revise its budget requirements to meet projected military needs. It should also be recognized that during our hearings on the \$700 million supplemental request for fiscal 1965 for Vietnam, the subcommittee specifically instructed the Secretary of Defense to review the fiscal 1966 budget before we acted on it to determine if any adjustments should be made. To date we have received no indication of any such review or adjustment.

Time and again during our hearings we were surprised to hear testimony revealing that the budget does not provide for any escalation of activities in Vietnam.

Navy Secretary Nitze told us there have been no changes in his budget since the Far East problem became more complicated.

General Crow of the Air Force advised us that the fiscal 1966 budget does not reflect anticipated requirements for a step-up in Vietnam.

Army Secretary Ailes stated we are maintaining a status quo on procurement of materiel heavily in demand in the conflict.

General Greene of the Marines testified there have been no changes in his budget as a result of intensified U.S. participation.

Logically, this leads to speculation as to the firmness of our new policy of stepped-up activity in Vietnam. The budget ignores any anticipated higher level of requirements for weapons, ammunition, and equipment. The administration ignores the subcommittee's request that revised estimates be submitted in time for inclusion in the budget for the war it purportedly intends to win.

The subcommittee was repeatedly advised that emergency funds and reprogramming mechanism could be drawn on for future military needs. But these procedures are designed specifically for unforeseen emergencies and must not be misused. It was also suggested that additional supplemental appropriations could be granted by the Congress, but this is a piecemeal effort with many disadvantages.

It is vitally important to bear in mind that military priorities for Vietnam must not deplete inventories which could im-

pair readiness of forces not committed to the Far East. We already have encountered the added requirement demanded by our action in the Dominican Republic. There is no predicting what future brush fires may break out in the innumerable hotspots around the globe. Name almost any border in the world today and I will show you a trouble spot—Berlin, Cuba, the Congo, Cyprus, Zanzibar, India, Pakistan, Latin America.

The line is clearly drawn in Vietnam. If we are to achieve victory there it certainly is established procedure to conform the military budget to our military effort. The present budget does not do this, the military experts do not pretend that it does, and the reluctance of the Department of Defense to review and revise its outdated estimates defies understanding.

Such inaction leads one to reluctantly conclude that our officially stated intentions in Vietnam are neither so firm nor so clearly defined as we have been led to believe.

The people in this country are confused. We in the Congress are confused. Reading between the lines, official statements by the Departments of State and Defense are characterized by frustration. We are behaving as though we had never fought a war before in our 180-year history. We seem to be experimenting and vacillating rather than going ahead with the policies which have made and kept this country great.

Editorialists and columnists by the score have commented along this line. One of the best I have seen comes from my own Cleveland Plain Dealer of June 21, 1965:

WHAT ABOUT U.S. FUTURE IN VIETNAM?

Piecemeal feeding of American strength into the Vietnam conflict has served as a reminder that the administration's long-range objectives and hopes in the dirty little war still are unknown to the public.

Reassessment after reassessment of current developments has followed Defense Secretary McNamara's once-glowing accounts of successes and his unfortunate prediction that withdrawal of American troops could be begun in January of 1965.

But what about answers concerning tomorrow and the future in Vietnam?

McNamara's televised press conferences are shy of what-next information and they arouse suspicion of the planted question. Answers to pertinent inquiries frequently are vague and rambling.

His preoccupation with pictures of bombed North Vietnam bridges continues in contrast with seasoned military estimates that the North has not been badly hurt by American bombing.

Yes, if I might interject—some have said that we have been hoodwinked.

If every step-up in Vietcong operations is to be met by fresh American reinforcements, has it been decided that the United States is now committed to ground warfare on the Asian Continent, an adventure opposed by some of the best military minds and one in which France met disaster?

If the holding action mentioned by Senator FULBRIGHT reflects official policy, how long is U.S. manpower to be fed into the conflict? The South Vietnamese have been fighting a holding action for 11 years.

President Johnson's repeated offers of unconditional negotiation are commendable but if the Communist world continues to reject

them, what does the Nation face, a sapping status quo, all-out war, or finally withdrawal after vast expenditures of lives and money?

Saigon now has a new Premier, Gen. Nguyen Ky, a choice the United States opposed as Premier because he is commander of the air force and is needed there. If this government also collapses, what is the next move?

The Wilson peace mission is energetic and dedicated but it could be regarded in Hanoi and Peiping as an agency of Washington with which England is so closely allied. If it fails, what next?

Manpower figures, damage claims and peace missions do not tell the public the ultimate goal of the United States in Vietnam. It has a right to know.

As the editorial says so well, the American people do indeed have a right to know the administration's intentions in Vietnam. For these reasons I strongly subscribe to the statement on page 63 of the report under the heading, "Recommendations." I quote:

We believe the President should immediately revise this fiscal year 1966 budget with a view toward requesting the Congress to provide for the unplanned and unprogrammed expenditures which have resulted from his decision to assume a greater role in southeast Asia.

Another aspect of the budget which causes me grave concern is its shortsightedness regarding military use of space.

In listening to testimony I found the Air Force particularly alarmed by our lack of aggression in pursuing space projects which would give us a weapons capability in inner space. General LeMay, Dr. Teller, the famed scientist, and other experts have expressed these fears publicly.

General LeMay only recently declared that new space developments by the Soviet are more in keeping with aggressive than peaceful objectives. He stated:

Already there is considerable reason for concern about Soviet capabilities in space. Many of the techniques the Soviet Union has developed so far point strongly toward a military space effort. The development of a capability by the Soviet Union to deliver strategic weapons from near space or to deny the United States the opportunity to continue its present programs in space would amount to a serious threat and would negate our present favorable balance of military power. It is in the arena of space that Soviet technological developments are most likely to bypass this generation of U.S. weapons systems.

Only last week Dr. George E. Mueller, Director of Manned Space Flight for the National Aeronautics and Space Administration, warned the National Space Club meeting in Washington that it will take "a great deal of effort over a number of years" for the United States to achieve first place in space. He stated that it would be a mistake to believe that the highly successful Gemini 4 flight had "overcome a lead of several years" held by the Soviets.

We will become increasingly vulnerable in space when we enter the late 1960's and early 1970's. I cannot urge too strongly that the Department of Defense launch an all-out program, with the first step immediate full-scale de-

velopment of a manned orbital laboratory.

In conclusion I hope that my colleagues give special attention to the additional views contained on pages 60 through 69 of the report. They merit your consideration.

I hope the administration takes heed. Mr. MAHON. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. ROONEY].

Mr. ROONEY of New York. Mr. Chairman, I am grateful to the distinguished gentleman from Texas, the chairman of the full House Committee on Appropriations for granting me this minute. I believe I can make my points within the allotted time.

I should first like to ask the gentleman—Am I correct in my understanding that no funds are included in the pending bill in connection with the proposed closing of the New York Naval Shipyard?

Mr. MAHON. The gentleman is correct. There are no funds in the budget estimates, according to the information the committee has, nor in the bill, for the closing of the New York Naval Shipyard.

Mr. ROONEY of New York. I thank the distinguished gentleman.

Do I correctly understand that in the coming fiscal year, to wit, fiscal year 1966, there will be approximately \$29,600,000 available for work and activities at the New York Naval Shipyard?

Mr. MAHON. From previous years' appropriations there are funds in approximately that amount scheduled to be utilized at the Naval Shipyard in New York.

Mr. ROONEY of New York. Finally, Mr. Chairman, I should like to commend the distinguished chairman, the gentleman from Texas [Mr. MAHON] and his committee for having retained section 532 in the pending bill which provides for a set-aside of \$7½ million of funds to be available only for the procurement of commercial passenger sea transportation service on American-flag vessels.

Mr. MAHON. I thank the gentleman from New York for his statement.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. MAHON. Mr. Chairman, I yield to the gentleman from Alabama [Mr. GEORGE W. ANDREWS], a member of the Defense Subcommittee, 10 minutes.

Mr. GEORGE W. ANDREWS. Mr. Chairman, I rise in support of the bill before the Committee. The appropriation of the money to operate the Defense Establishment of the United States is always an important action by the Congress. This year, when our soldiers and marines and flyers are giving their lives daily for their country, the enactment of this bill is particularly significant.

The gentleman from Texas and others have given you a general review of the whole bill. I would like to give you a view in greater depth of two of the new weapon system developments which are now underway and which will help to insure the continued superiority of our arms in the years to come. The first program I will discuss is the Poseidon

missile program. The Poseidon is the latest in the series of developments designed to enhance the capability of our fleet ballistic missile force. The fleet ballistic missile weapon system, popularly called the Polaris, is now completing a full 5 years of deployed operational capability. In my opinion, the Polaris is the most effective deterrent weapon that we have in our arsenal.

Twenty-seven submarines, carrying a total of 432 Polaris missiles, have been deployed on operational patrol. There have been more than 160 2-month operational patrols to date and none of them have failed for any reason. The submerged Polaris submarine is invulnerable to any defensive system which the Soviet Union now possesses. A very massive effort, indeed, would be required in order for them to develop even a marginal defense against the Polaris. The Poseidon will be the fourth missile developed for the fleet ballistic missile program. The first Polaris missile, the A-1, had a range of better than a thousand miles. The A-2, the second missile developed, has a range of 1,725 miles, and the newest operational missile, the A-3 has a 28,000-mile range.

On January 18 of this year, President Johnson announced, in a special message to the Congress, that the administration proposed to develop a new and larger missile for the fleet ballistic missile system. This missile is called the Poseidon. The Poseidon will incorporate improved accuracy and larger payload. The Poseidon will have double the payload of the Polaris A-3. It will be twice as accurate. Its effective kill capability against hardened targets will be some eight times greater than that of the A-3. Like the Polaris A-3, it will be able to reach any spot of earth from submerged submarines.

The larger payload capability will permit Poseidon to carry a much greater weight of penetration aids thus enabling the warhead to penetrate the defenses of heavily defended target areas and destroy assigned targets. Alternatively, it could be used to attack a hardened point target, such as a missile site, with greater accuracy and with a heavier warhead.

The Poseidon missile is named after the god of the sea in Greek mythology. His name is particularly appropriate for this sea-based missile. The mythological Poseidon was known as the earth shaker because of his ability to cause earthquakes far inland. But he was also known as "the preserver" because he could send calm seas.

The Poseidon missile will be distinctly different from the Polaris A-3 missile. It will be 6 feet in diameter as opposed to the 4½-foot Polaris. It will be 3 feet longer than the 31-foot A-3 missile. Yet, despite the increase in size, the growth potential of the ballistic missile submarine launching system will permit Poseidon missiles to be fitted into the same 16 submarine missile tubes that carry Polaris. Only a minor and relatively inexpensive modification to the missile tubes will be required.

The increased capabilities of the Poseidon, plus the inherent survivability of the nuclear-powered submarine, give us

every reason to believe that the fleet ballistic missile weapon system will continue to be a reliable, creditable, deterrent force for this country in the years ahead.

The great success which has been attained thus far in the Polaris program is a credit to the Navy, to American industry, and to the Congress which has emphasized and supported this program, sometimes to a greater extent than has the Defense Department. None of us are resting on our laurels. The Navy and industry, with the support of the Congress, are going ahead with this latest development, and I anticipate that it will be followed by still further significant developments which will retain the fleet ballistic missile system as a major force for freedom for many years.

The second program which I want to bring to your attention is also a program on which the Congress has had a more positive attitude, and I think a more realistic attitude, than the Department of Defense has had at times. The program is the development of an advanced manned strategic bomber, a bomber to replace the aging B-52.

Our national policies dictate the continuing need for manned strategic aircraft well into the future and well past the time that we can reasonably expect to depend upon the aging B-52 and B-58 aircraft now in the SAC inventory. In addition to what has come to be known as the classical strategic bomber mission of deterring large-scale conflicts or retaliating to attack if required, the large payload and accurate delivery capability of strategic bombers can also be applicable to lesser encounters requiring these capabilities. This was demonstrated just last week when B-52 strategic bombers were sent on a mission to attack a Communist stronghold just 25 miles north of Saigon. The success or lack of success of that one mission does not alter the potential value of strategic bombers in a limited war role.

I want to add right here that two B-52 aircraft were lost on that mission. This loss was not due to enemy action but the loss is still a real one. The B-52 aircraft is no longer in production, no strategic bombardment aircraft is now in production in this country. If we call on these aircraft in a tactical role as well, as in the airborne and ground alert roles associated with their strategic mission, these aircraft are going to wear out and we are going to need replacements for them.

Today we have significant strategic capability in the 630-aircraft B-52 force and our two wings of B-58's. But these aircraft are not going to last forever. Forecasting their use well into the 1970's may be desirable, and possibly such forecasting can be done with some degree of certainty, but we saw last week how these predictions can go awry. If we put our complete reliance for strategic bombers on what will have to be weary aircraft in the 1970's, and these aircraft are called upon to operate against the advanced defenses which will be found in the 1970's, we will be creating a situation that is neither reasonable nor desirable.

The Department of Defense programed \$39 million to be spent on the development of an advanced manned strategic

aircraft in fiscal year 1966. Most of this money, \$24 million, is money that was voted for this program last year and was not utilized by the Department of Defense. The \$24 million, plus \$15 million of new money was programed for the next fiscal year. The Air Force had requested an additional \$82 million for this program. When this was refused, the Air Force appealed for at least \$7 million of the \$82 million. This was refused by the Department of Defense, but the Congress, in enacting the legislation authorizing appropriations for research and development programs of the Defense Department, increased the amount authorized for this program by \$7 million. The bill before you provides this \$7 million in increased appropriations. The bill also provides that all of the new obligational authority, the \$15 million in the budget and the \$7 million which has been added, will be available only for development of advanced manned strategic aircraft. The \$24 million, which remains available from last year's appropriations, was similarly limited by last year's Appropriation Act and continues to be available only for the development of advanced manned strategic aircraft. So a total of \$46 million will be available in fiscal year 1966.

I cannot describe the future manned bomber to you as I could the Poseidon missile because the determinations have not yet been made as to the precise characteristics of the bomber. It is probable that the future strategic bomber will have supersonic speed at low altitudes and will be designed to have sufficient range to accomplish strategic missions. The primary reason the B-70 program failed was that the B-70 was designed to fly at high altitudes. Developments in anti-aircraft-missiles made attack at high altitudes dangerous. Aircraft are much more likely to penetrate to their targets if they proceed at high speed and at low altitude so that they are not identified and tracked by enemy radar systems until they are very close to the targets. Future manned bombers will also probably depend primarily on missiles to strike targets rather than gravity bombs. This eliminates the necessity for the aircraft to fly directly over the target where the enemy's defenses would be concentrated.

As was stated in the Appropriations Committee report, we are concerned that the strength of the strategic bomber force may be seriously reduced before replacement aircraft are available. The committee asked the Department of Defense to carefully consider the development of a strategic bomber version of the F-111 aircraft. It seems that this aircraft has many of the characteristics which a strategic bomber for the 1970's should possess, and most significantly, could be added to the inventory in a much shorter period of time than could a completely redesigned aircraft. It may be that a B-111 would be useful as an interim strategic bomber until a new, heavy bomber could be developed and deployed.

As good as our strategic ballistic missiles are, and I believe that our latest missile, the Minuteman II, is very good, we must not abandon the manned stra-

tegic bombardment aircraft. We must also have another kind of weapon system—one which is not vulnerable to the same defenses as the missile. One which has the versatility for use in situations not applicable to missiles, one which is manned so that human judgment can be applied as the situation warrants. I am speaking now of what has been called the mixed force concept. It is the consensus of exhaustive studies performed not only by the Air Force but also by other Department of Defense agencies that the United States must maintain a mixed strategic retaliatory force throughout the foreseeable future.

In considering national defense matters today, we are, of course, all concerned primarily with the present fighting in southeast Asia. This should receive our primary attention now, but we must not forget to provide for the future. We must never be tempted to provide only for the near-term requirements of the Defense Department and neglect the long-term requirements as primarily expressed in the research and development program. The bill before you provides one more increment in the funding of our defenses of the future.

Mr. LIPSCOMB. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I take this time to ask a few questions of the gentleman from Texas [Mr. MAHON].

First, I attended a hearing this morning that was held before a subcommittee, involving the so-called poverty program. Representatives of the Office of Economic Opportunity testified and admitted they are hiring attorneys on contract to represent Job Corps enrollees when they get in trouble. My question: Is there any money in this bill to provide for legal representation for servicemen who may have engaged in an altercation of some kind and are brought into court? Is there any money to provide legal counsel for servicemen in such cases?

Mr. MAHON. I do not believe there is any money in this bill for that purpose.

Mr. GROSS. Or in any other bill, is there?

Mr. MAHON. No, I do not know of any money in any other bill for this purpose. Of course, the gentleman well knows that when servicemen are charged with criminal offenses before court-martial military officers are often assigned to defend them.

Mr. GROSS. I am well aware of that. I am talking about misdemeanors; I am not an attorney, but I am talking about run-of-the-mine arrests.

Does not the gentleman think that a serviceman is as much entitled to legal representation by a contract attorney as is a Job Corps enrollee? Would not the gentleman agree that if attorneys are to be provided for Job Corps enrollees, that the serviceman is entitled to the same kind of representation?

Mr. MAHON. To tell the gentleman the truth, I have not had the opportunity to study the situation which the gentleman has outlined. I believe this would require legislation which would have to be presented to the Committee on

Armed Services. I should be glad to look into the matter, but I am not sufficiently aware of the situation to comment on the question intelligently.

Mr. GROSS. I think it is a shocking thing when the taxpayers of this country are called upon to provide legal representation for any and all cases in a court that may involve a Job Corps enrollee. And, if legal counsel is to be provided these individuals, servicemen are entitled to the same kind of treatment.

Now, I would like to ask the gentleman from Texas this question: How many of our so-called allies have provided combat troops for Vietnam? And, please remember, I said "combat troops."

Mr. MAHON. Mr. Chairman, if the gentleman will yield further, of course we have in excess of 50,000 troops in South Vietnam. They are not all combat troops, though some of them are, of course, so designated.

Now, I think that three nations have provided troops, Australia, Korea, and New Zealand, in the amount of about 3,300 troops. This is my understanding.

Mr. GROSS. The gentleman is not saying that those 3,000 are combat troops, because the news reports have said they are not combat troops.

Mr. MAHON. Of course, we have many support troops that could become combat troops. The exact status, and the formal designation, of these troops I am not sure about. But if there is an additional escalation, this would be a different situation.

I assume that these men from these countries enumerated would be combat troops, at least some of them.

Mr. GROSS. Does the gentleman from Texas have any idea when we are going to get substantial help from any of these so-called friends, and by that process, perhaps, reduce the cost of this bill to some extent?

Mr. MAHON. I do not know myself what the future holds in South Vietnam or what contribution other countries may make or what course we may ultimately follow there.

As the gentleman knows, in order to help support South Vietnam, for a number of years we have poured in large sums of money in foreign aid. Also, as the gentleman knows, we have had our own troops there. We have provided large quantities of fighting equipment; ammunition and so forth.

Mr. GROSS. But outside of the South Vietnamese, we are bearing the brunt of the fighting in Vietnam, are we not?

The British, the last time I inquired as a member of the Committee on Foreign Affairs, had a mission of 5 or 10 officers over there; the French had a mission of a few officers.

In other words, insofar as these so-called friends of ours are concerned, there has been no substantial contribution from them.

I cannot remember the number of Australians that were sent there. I think there has been an engineer battalion or two from Korea put into Vietnam. However, I do not believe we are getting substantial combat help and I do not think the gentleman from Texas believes we

are getting any part of the help we ought to have in South Vietnam from our so-called friends.

Mr. MAHON. If the gentleman will yield further, I am told that Australia has deployed a combat infantry battalion with its own logistics. This, I assume, is correct. New Zealand is carrying out the deployment of a 105-millimeter howitzer battery and tank troops.

So, this is the situation.

The gentleman is critical of our friends for not making a larger contribution, and so might we all be.

Mr. GROSS. I surely am.

Mr. MAHON. And in our disappointment we could call upon them for more assistance. We could take whatever steps that may be necessary, but I do not believe the tenor of the debate, particularly this afternoon, would indicate that the Congress feels we should withdraw from South Vietnam.

Mr. GROSS. I did not suggest withdrawal. I suggested that we get some help from the so-called friends of ours upon whom we have lavished billions of dollars. I think they ought to do their share of the dying over there if it has to be done.

Mr. MAHON. I agree with the gentleman we should insist.

Mr. GROSS. Instead of that, some of our presumed friends are operating their ships into Haiphong with supplies, all kinds for the Communist Vietcong. I often wonder why, instead of pounding the jungles, shaking the leaves off the trees, we are not bombing this port of supply of Haiphong. Are we afraid we would probably destroy some British, French, Panamanian and other ships? Is that why we do not bomb Haiphong, a big source of Communist supply?

Mr. MAHON. I cannot give all the answers. The war is there, and gradually escalating, as the gentleman knows. Targets are being selected for bombing. These are decisions which have to be made by the Commander in Chief himself, in cooperation with and on the advice of his military leaders.

With respect to South Vietnam, the French fought over there without any assistance from us, insofar as I know, from the standpoint of having combat American troops there. The British fought for years in Malaysia and, insofar as I know we did not put any combat battalions in this effort. I know we would be only too glad to get all the assistance we can from other nations, and I am sure we are inclined to do that, but this is a very difficult situation, and I trust some way will be found to settle this issue in South Vietnam. I do not think anybody knows what the developments may be. We may get in a large war involving Communist China. We cannot foresee what may develop. The gentleman cannot, and I cannot.

Mr. GROSS. Henry Cabot Lodge recently returned from a tour around the world on which he was sent by President Johnson to try to get some help in Vietnam. What was his statement before the Committee on Foreign Affairs? He said the European countries and others expressed deep gratification that we were doing the fighting and financing the war

in Vietnam, and I suspect, unless somebody puts a prod under these people or denies them foreign aid handout money that probably will be the case from now until the interminable end. They will continue to express their gratification that we are doing the fighting and the financing of the war.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. LIPSCOMB. Mr. Chairman, I yield the gentleman from Iowa 5 additional minutes.

Mr. GROSS. Mr. Chairman, I would like to inquire about the statement on page 38 and the preceding page, page 37, concerning the TFX, or what is now known as the F-111A and F-111B.

The report says:

Two serious problems have been encountered in this program. One relates to the weight of the aircraft and the other to the development of the Phoenix missile system.

That weight problem of the F-111B, and that is a most important problem insofar as the Navy is concerned, was apparent from the very start of negotiations of that plane.

This was the point at issue when the contract was awarded by Secretary McNamara to General Dynamics at Fort Worth, Tex., this \$6½ billion contract which I note in your report now involves \$7 billion. When the contract was awarded to General Dynamics at Fort Worth, Tex., at a cost of at least \$400 million more than the Boeing bid, the weight situation was then the point of contention. But Secretary McNamara overrode the Pentagon's Source Selection Board and he overrode both General LeMay, then Chief of the Air Force, and Admiral Anderson, Chief of Naval Operations. Both of them are now gone, driven from the service because they opposed the award of this contract to the Texas firm—to the bidder who practically assured that there would be more weight in this plane. So now we are confronted with a situation where apparently we have a plane that is going to be 5 to 10 tons heavier than Navy specifications and that apparently cannot be operated off of all our carriers. This I say again because the contract went to the Fort Worth, Tex., firm under forced draft. I do not know how far the committee went into this contract when it held its hearings, but it seems to me that it is about time that somebody uprooted what went on with respect to the TFX plane, now the F-111 plane.

Mr. MAHON. Would the gentleman like me to comment on this subject?

Mr. GROSS. Yes.

Mr. MAHON. In this bill under the title "Procurement," there are about \$591 million for the F-111. Of this sum \$140 million is for the F-111B version, the Navy version. I know of no contract that was forced to go to General Dynamics. With respect to the Navy version which the gentleman is speaking of, the work on that plane principally is being done I believe by the Grumman Co. of New York and not by the Texas Division of General Dynamics.

Mr. GROSS. But the main contract went to General Dynamics; did it not? The gentleman will agree with that?

Mr. MAHON. That is right. It anything wrong with that?

Mr. GROSS. It seems to me there is everything wrong with it, when the principal parties, the Air Force and the Navy, that must use this plane, said they were dissatisfied with the specifications offered by General Dynamics and supported the less costly, lighter plane offered by Boeing.

The Source Selection Board knew that if the contract went to General Dynamics, the Navy would get a heavier plane, questionable from the standpoint of acceptability because it would probably be too heavy to be flown off all the carriers that we have. And when the Comptroller General sought to obtain—and this is his testimony under oath before the Senate investigating committee—when he tried to obtain from the Secretary of Defense, McNamara, the figures upon which he based his award to General Dynamics, he, McNamara, said in effect: "I am carrying the figures in my head." In other words, you try and get them. To this day the door has been locked on certain information. If the gentleman has pried into this at all, he knows this to be the case. I say that the award of this contract to General Dynamics stinks to high heaven. And we sit here without an acceptable new supersonic plane, and without a follow-on to the Phantom F-4 if the F-111B proves to be unacceptable to the Navy. This is the situation we are in. The Lord help us if we get into a large-scale war.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. MAHON. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I do not agree with the views of my good friend, the gentleman from Iowa, in regard to the F-111 aircraft. The merits of the plane and the competing contractors have been fully discussed in the past. There were people lined up on both sides. Some wanted the General Dynamics Co. to have the contract and some wanted Boeing to have it. The decision was not up to Congress but to the Defense Department. Insofar as this contract is concerned, I assume that the gentleman from Iowa feels that Boeing was the right company for the job. I am not saying this in any criticism at all. But that is his view of what ought to have been done. The gentleman may be right. It is just a matter of opinion. I have every confidence that the Department of Defense used its best judgment in making the decision. No Member of Congress insofar as I know made a recommendation as to contractors or had any voice in the selection of a contractor. Whether the decision was good or bad may prove to be impossible of determination. The Boeing Co. is a good company. The Government has spent billions of dollars with the company. And the Government has spent billions of dollars with General Dynamics. But I think this plane, the F-111, is going to be a terrific plane, especially the Air Force version. We may be skeptical about the Navy version of the plane. I am afraid it will be quite some time before we will know whether or not it will be successful.

But this is true of all leaps forward in military development and production. One cannot expect these things to evolve without problems. Problems arise every day in these projects. Answers are hard to come by. One cannot tell in advance whether a bright new idea will work out.

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

Mr. MAHON. I yield to my good friend from Iowa.

Mr. GROSS. I am not interested in either Boeing or General Dynamics. I am an American who knows that the weight problem arose from the very outset before the decision was made. Long before the award decision was made by McNamara, this weight factor was kicked around all over the place.

Let me say to the gentleman that I am an American who believes if we could get an acceptable plane for \$400 million less, on a \$6.5 billion contract, we ought to have done so.

Mr. MAHON. The gentleman believes that the contract should have gone to Boeing, I assume, or does the gentleman believe it should have gone to General Dynamics? That was the decision.

Mr. GROSS. Yes. Under the circumstances, I believe it should have gone to Boeing. But let me make it plain that I have never talked to a representative of the Boeing Co.

Mr. MAHON. I did not mean to imply that the gentleman had.

Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. Flood].

Mr. FLOOD. Mr. Chairman, I should like to say a word, although it is not quite as a valedictory. I remember, beginning with the War Between the States, this debate has always been presided over in the Committee of the Whole by the distinguished and handsome gentleman from New York [Mr. KEOGH], who is presiding again today. Unfortunately, he has decided to leave the Congress. With God's help he will be with us next year. I just wanted to be sure that Members got a good look at him before he leaves, especially with reference to our tremendous bill for the Department of Defense.

Mr. Chairman, when I first went on this subcommittee, the bill was about half this size. It seems that in direct ratio to the billions we add there is a lack of interest in the House.

I believe the best way to handle this whole bill this afternoon occurs to me as I look around the House. There is \$45 billion involved. That would be about \$2 billion apiece for all the Members on the floor. We can dispose of the whole thing. Let us split it up among the 20 or so of us who are here for this debate. We can split up this \$45 billion "pigeon" and that will eliminate a great deal of controversy about Boeing or General Dynamics or anything else.

There is a word I should like to say concerning the loss the committee suffered when the distinguished minority leader, the gentleman from Michigan [Mr. GERALD R. FORD], left our committee. This is a hard working committee. We sit for months and months and

months, like in the basement of some department store downtown. It is a tough job. The gentleman from Michigan [Mr. GERALD R. FORD] was a great and strong man on that committee. I wish to say that we missed him grievously because of his new duties with the leadership on the minority side.

The gentleman was ably succeeded by the right kind of guy to have on this committee, a certified public accountant, the gentleman from California [Mr. LIPSCOMB]. He can do better than I. The minute I get beyond my fingers, I have trouble counting. That is why I am such a great help on the Appropriations Committee. I do not add very well. He is quite a help.

I am running out of trouble, or finding something to become angry about in respect to the bill this year. This has been a mild afternoon. There were years when we could rant and tear. Years ago this bill took 6 or 7 days. We may not take 4 hours, though I remember the debates would go 6 or 7 days on this particular bill not too long ago.

Now, we will be out of here in what? 10 to 15 minutes. Not quite 4 hours all together. Well, there is one thing in here I would like to point out. You who are old enough, right after the war when I started screaming about airplanes and started shouting, "When are we going to get airplanes to lift our things and our troops?"—you who are old enough remember the situation was a disgrace. All you have to do around here is to come back often enough and live long enough and everything ultimately happens. I am happy to tell you today that I do not have much to complain about on that score. By 1970 you will have five times the airlift that you had in this month in 1961—five times. Now, that is a great thing. We have this new C-5-A coming in. Do you know what that is? Well, the C-141 that we just dusted off for our airlift weighs 316,000 pounds. The C-5-A will weigh 725,000 pounds. And we will be able to operate it at a cost of 4 cents a ton-mile. You remember the old DC-3, the old workhorse of the airlines? The Army version was the C-47. The good old DC-3. Twenty cents a ton-mile. Even the C-135 was 7 cents a ton-mile. But this new baby, 4 cents a ton-mile and weighs 725,000 pounds. The fuselage will be over 17 feet wide, so we will be able to drive two columns of Army vehicles up the gangplank into that aircraft. The C-141 could only take one at a time. You just drive them up two by two like they are going on the ark. That is the kind of aircraft this will be. It will be a beauty.

I am also at the point of accomplishment again. I never believed that the war we would fight would be somebody's total nuclear war. I never did believe that. From the day we first started this business I was for the program and voted for every appropriation and for every one of those programs down through the years, including the last one and this one. I will vote for this one again. But I have always been a loud advocate of what we call conventional war. And, I have gotten no place with it. No place.

Nothing was done for years. Well, now that has changed and the thinking in that Department now across the river is along that line. Just within weeks the Secretary of Defense directed the formation of something that I pleaded for and used to try to amend the act to get, and to attract attention to year after year, an air assault division with their own hardware and their own aircraft. An air assault division that can move out with their own stuff and their own aircraft at a moment's notice. These things are now actually in being. Just a few short years ago I worried that we would never, never have these things. I was delighted with the remarks of my distinguished colleague, the gentleman from Florida, [Mr. SIKES], in connection with the Reserve component. I think Secretary McNamara is the greatest thing that came to town here since they put beer in cans or sold sliced bread. He is the greatest. But like a distinguished New York mayor, when he make a mistake, boy, he makes a beauty. And he has made them in his thinking in connection with the Reserves, the Air and the Army, and in the proposal to merge them with the Guard and hence eliminate them. It would be pretty tough for me to try to improve upon the reasoning and the explanation of my position that was given by the gentleman from Florida [Mr. SIKES].

He is an expert on that subject. He and I handled the Secretary in the hearings, not with kid gloves, I assure you, on this subject at great length. I hope the great Armed Services Committee will see fit expeditiously to act on this subject, the way I think and the way the gentleman from Florida thinks, and I believe the way this House thinks, and will act to preserve the Reserve components, these great elements of our whole defense structure.

Mr. Chairman, I am interested in what the Navy is doing. For 10 years I would ask those boys across the table: "Now, you are going overboard on missiles with your cruisers and destroyer-escorts. You are taking off the guns and you are putting in missiles. I do not like that. I think you are wrong. Some one of these days we are going to be fighting limited wars. Some one of these days we will be hitting the beaches, and I would not have any guns on my fleet."

Within the last week you have read two or three announcements where the flagship of the fleet off the Vietnam coast is using her 6-inch guns. Well, they have some left. But the point that I want to talk about is this: They now agree with us and that has been changed. Any idea of abandoning 5-inch and 6-inch guns from the fleet—that will not happen. That we have been assured of. They have seen the error of their ways.

I am glad to see the Air Force with that spectacular space shot the other day. Did you ever think you would live long enough to see the "fly boys" 300 feet down in the ground—covered by concrete—the great Air Force? That is where they have been going for several years out in the Northwest. It looks as though we are going to get them back in

the air. And I assure you I think it is the feeling of our committee that they should be there. I hope that we expedite the space laboratory for the Air Force.

I have never been able to get a word out of Secretary McNamara for years, since he has been here, as to the importance of satellites for defense. I just want to touch on that point, that since sputnik was first fired, I believed the morning I heard about it, and I believe today and I think you do, that there is a place in the Department of Defense for space satellites of whatever kind; for observation platforms, for platforms and various kinds of weapons. But in the future of space there must be satellites of the Department of Defense.

I am for peace, and I am for motherhood, and I am against sin, too. I think this work being done by the space people for peace and prosperity is one thing. But out of an abundance of caution, if for no other reason, I will not be happy until the Defense Department recognizes this problem, that there is a place in space for the Department of Defense.

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

Mr. FLOOD. I yield to the gentleman from Florida.

Mr. SIKES. Mr. Chairman, I have listened with a great deal of interest—I listen with interest to everything my distinguished friend says—but I listened with particular interest to what he said about the essentiality of the manned orbiting laboratory and manned satellites in the military applications of space.

Mr. Chairman, I have been privileged to observe the outstanding quality of the work of the distinguished gentleman from Pennsylvania [Mr. FLOOD] as a member of this committee for a long time.

There is no one who has done more to focus the attention of the military services on the deficiencies which have existed and which required correction if we are to have a fully adequate defense, than the gentleman from Pennsylvania. Year after year the gentleman has insisted on corrections and improvements in the services and in their equipment. Through his efforts as much as those of any man, it has been possible to move the military toward the correction of those deficiencies that have threatened the effectiveness of our defense program. We have a stronger defense today because a man like DAN FLOOD has served on this committee and in the Congress and has insisted on a better national defense. I feel that everyone of us should be proud of his contributions.

Mr. FLOOD. Well, is he not nice?

Mr. Chairman, I will let you in on a secret. I am not a damn Yankee. I am just a Yankee. As a matter of fact I was reared in St. Augustine, Fla., and lived there for many, many years. So you can understand how my friend the gentleman from Florida [Mr. SIKES] and I get along so well together.

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

Mr. FLOOD. Of course; I am delighted to yield to my distinguished friend and hard worker from California.

Mr. LIPSCOMB. Mr. Chairman, I would like to join in the remarks of my colleague, the gentleman from Florida [Mr. SIKES]. I have felt very privileged to work with the man in the well, the gentleman from Pennsylvania [Mr. FLOOD]. I have watched his decisions. I have listened to his complaints and his suggestions, going back to his concern for airlift aircraft. I just want to add my voice at this time to the comments made by the gentleman from Florida.

Mr. FLOOD. Well, are you not nice. I have a sister-in-law in California.

Mr. MINSHALL. Mr. Chairman, will the gentleman yield to me at this point?

Mr. FLOOD. I am delighted to yield to the gentleman from Ohio.

Mr. MINSHALL. Mr. Chairman, I would like to also associate myself with the remarks that have been made about the distinguished gentleman from Pennsylvania. I am confident that we all feel he is probably one of the most discerning and knowledgeable men about military affairs in the entire Congress.

Mr. Chairman, I have been on this subcommittee for 7 years. I remember full well when I first joined the subcommittee the gentleman from Pennsylvania gave me a little bit of advice. He said, "It is a great subcommittee to be on," but he said further, "You never get anywhere on it."

Mr. Chairman, I was last 7 years ago and I am still last today.

Mr. FLOOD. Well, of course you ought to look at my side. I have been on the committee for about 20 years and I am still low man on the totem pole. Look what the setup is. If these southerners ever started a war we will never get off the ground. Take a look at that committee: The gentleman from Texas [Mr. MAHON], chairman; next, the gentleman from Florida [Mr. SIKES]; next to him, the gentleman from Mississippi [Mr. WHITTEN]; next to him, the gentleman from Alabama [Mr. GEORGE W. ANDREWS]; and then, FLOOD. And, this has been going on since the war.

Mr. LIPSCOMB. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. CAHILL].

Mr. CAHILL. Mr. Chairman and members of the Committee, I just have this one observation to make to the gentleman from Pennsylvania, and that is from my observations of him, one Irishman like him can take care of all four of those southerners.

Mr. GEORGE W. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. CAHILL. I shall be happy to yield to the gentleman from Alabama.

Mr. GEORGE W. ANDREWS. He does.

Mr. CAHILL. Mr. Chairman and members of the Committee, I asked for this time, and I am very grateful to my friend the gentleman from California [Mr. LIPSCOMB], for permitting me, although not a member of the committee, to address this Committee of the Whole House on the State of the Union today on this very important bill.

Mr. Chairman, I asked for this time, not to be critical of any facet of the bill nor do I have any real constructive suggestions to make to the Committee. But

as I understand this bill it carries an appropriation of \$45 billion for the defense of the United States of America and of the free world.

I would merely like to point out to the Committee that in spite of all of the money that is being spent on defense, in spite of the efforts of this Committee, it is my humble opinion that we as a people and certainly we in the Congress are neglecting a very vital part of the defense necessities of this country, and that is our shipbuilding.

I do not know whether my colleagues in the House are aware of the fact—I was not until recently—that as of February 1, 1965, there were 612 merchant ships totaling slightly more than 4 million deadweight tons on order or under construction for the Russians, and as of the same date there were only 44 merchant ships totaling less than 650,000 deadweight tons on order for construction in the U.S. shipyards.

I listened to my friend speak of the missiles, to modern fighting planes, I listened to all of the talk about the moon shot and, while I agree these are all necessary, it seems to me that we are neglecting the one arm of defense without which we would not have won World War II. Yet, the delivery of these new ships for the Russian merchant marine has exceeded 100 vessels annually for the past several years, while in U.S. shipyards we have delivered only 16 merchant vessels during the entire year of 1964. While the Communists are building new and modern seapower, about 90 percent of all U.S.-flag dry cargo ships and 55 percent of our tankers are 20 years of age or older. Our fleet of dry cargo ships engaged in the domestic trade is practically extinct. Two-thirds of our naval fleet will be 20 years of age or older in less than 2 years because of the absence of a suitable replacement-ship program, so that the private shipyards are more than 50 percent idle. And U.S.-flag shipping is carrying only 5 percent of our export and import commercial cargoes. By 1970 it is estimated that Russia's maritime fleet will total more than 2,500 vessels. In 5 years, at the present rate of retrogression, the U.S.-flag merchant marine will total about 650 ships. More than 1,600 vessels, mostly of World War II vintage, remain in reserve status, but only a small fraction of these will be of any benefit in time of emergency. No real benefit to this country is possible from these ships and they are destined, in my judgment, for one thing, and that is the scrap pile.

But here is what concerns me, Mr. Chairman. This is only part of the story. The real problem, as I see it, is that the Soviet Union today is second only to the United States as a naval power. Russia's shipyards are now being utilized to 100 percent of capacity. The hammer and sickle fleet of submarines numbers more than 500, the largest undersea armada the world has ever known. It is eight times larger than the undersea fleet that Hitler had at the beginning of World War II, and includes an ever-increasing number of nuclear-powered units. Soviet-built submarines have also been supplied to satellite and other countries, more than 20 to Com-

munist China, 12 to Indonesia, and 8 to 10 to Egypt.

I do not want to take more time than is necessary but I desire to make another point. I suggest to many of my friends in the House who have private shipbuilding interests in their area that we in the United States today are only using 50 percent of our shipbuilding capacity.

Private shipbuilding in the United States of America is on its way out. The reason for that is twofold—one reason is that we as a government and we as a people have not recognized the great contribution and the overall importance of shipbuilding to the defense of our country. The second reason is that the administration today, as previous administrations have done, has placed emphasis on naval shipyards. Let me say parenthetically, I have right across the river from me one of the finest naval shipyards in the world and I am not recommending that there be any termination or even a limitation of the work assigned to that shipyard. But I can say to you that right across the river from that shipyard there is a private shipyard that has not had a contract in 2 solid years—a shipyard that made tremendous contributions to the American fleet during World War II and had as high as 30,000 employees and now is down to 4,000 employees, with no contracts coming to them for over 2 years.

As I have listened to the debate on the floor of this House year in and year out, I hear that we are going to subsidize tobacco. We are going to subsidize the farmers. We are going to subsidize the airlines, the textile manufacturers, the oil interests, the poor, the student, the teachers, the elderly. We are going to give money for Federal highways, airports, recreation areas. We are going to give money for the development and research of all kinds for rockets and planes and moon shots. It seems to me, gentlemen and ladies of the Committee, that we ought to take cognizance of the deplorable condition of our merchant fleet and of our naval vessels. The only reason we have the greatest navy in the world today is because we have the greatest sailors—because we have the greatest men and not because we have the most modern ships. I think all of my friends who have shipbuilding in their areas must agree with me that the time has come when the appropriate committees of this Congress must do something about it. I certainly would recommend as one constructive suggestion, I hope, that there will be formed some special committee with adequate funds to come up with the knowledge and research that will show us how we can be competitive in the world market and how we can preserve our private shipbuilders so that if, God forbid, the day ever comes when we are going to find ourselves in need of ships to transport troops, we will not find ourselves as we were in 1940 but we will find ourselves ready. I would say to the Committee that today we are not ready.

I would also recommend that Congress appropriate funds for the design and construction of at least four 30-knot, 15,000-ton automated nuclear merchant ships for delivery in 1970.

I think graduate studies in ship automation and nuclear technology should be initiated at Annapolis and the Merchant Marine Academy at Kings Point, and most ineptly, I recommend that Congress appropriate funds for the establishment of Federal grants for an extensive research program which will devise and study methods to make U.S. ships and shipyards more competitive.

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

Mr. CAHILL. I yield to the gentleman.

Mr. MILLER. The gentleman has referred to the fact that our merchant marine was not ready in 1940. I would apply that same statement to the year 1917 when World War I started. At that time we were not ready either. The Lord had His arms around us on these two world-shaking occasions. We were fortunate to have had someone to protect us. We were unprepared in this phase of our defense. The private shipbuilding sector is as much a phase of defense as the Air Force or the Navy or anything else. I congratulate the gentleman and associate myself with the remarks that he has made.

Mr. CAHILL. I thank the distinguished gentleman from California.

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

Mr. CAHILL. I yield to the gentleman.

Mr. CHAMBERLAIN. I commend my colleague, the gentleman from New Jersey, for the statement he has made. Although there are no shipping interests in my district whatsoever, I have long shared his concern over what is going to happen in the future if we ever need, as the gentleman has said, a surface fleet to support a war effort for our country. I think it is very unfortunate that more Members of the House have not been present to hear what the gentleman has said.

Mr. CAHILL. I thank the gentleman.

Mr. Chairman, I would like to close my remarks with just two observations. I will not take the time of the Committee now to go into certain matters, but I will obtain and place in the RECORD some facts that I have been able to obtain that to me were very shocking.

I do not really believe that the American people understand the condition of our merchant fleet. I do not really believe they understand the antiquity of our Navy. I do not really believe they understand what is happening in the competitive field of shipbuilding abroad as compared to the United States.

Perhaps some Members read the article I read in last week's newspaper, in which our Secretary of Defense, while in England, made a statement that he believed the time had come when we should buy more ships from England.

Coming from the area I do, where shipbuilding has been flourishing in the Delaware Valley since the time of the founding of the Republic, I see it about to vanish—and I mean vanish from the Delaware Valley—because we cannot compete with European and foreign shipyards, and because our Government will not take a proper and correct and just look at the shipbuilding industry, I

can tell you this gives us great concern. I hope the Committee will join me in looking over these statistics when they appear in the RECORD.

Mr. MAHON. Mr. Chairman, I yield 4 minutes to the gentleman from Maryland [Mr. GARMATZ].

Mr. GARMATZ. Mr. Chairman, first I commend the gentleman from New Jersey for his fine remarks. I surely agree with him 100 percent on his remarks with reference to private shipyards.

Mr. Chairman, an article in the Washington Post of June 18 stated that the Defense Department is considering buying about \$50 million worth of naval vessels a year from Great Britain.

I consider this a harbinger of doom for the privately owned shipbuilding industry in the United States.

Such a proposal is beyond comprehension, in the face of Navy's oft-admitted dependence on the privately owned shipyards for logistic support in war and emergency.

Coming on the heels of Navy's recent success in forcing repeal of the budgetary provisions for channelling 35 percent of Navy repairs into the private yards in the bill under consideration, this proposal is indicative of a Defense Department attitude that could only lead to further and rapid disintegration of America's non-Government ship-construction facilities.

Keeping in mind the Department's insistence upon retaining all but one of the shipyards that serviced the mammoth World War II fleets, could anyone conversant with the situation expect that any work done foreign would be taken from scheduled Navy yard construction?

One of the arguments advanced for building in Great Britain, we are told, is that in long-range instances, it is better to get the best price and quality obtainable. If that is to be the norm, two independent studies made recently, both made clear that costs of construction and repair in the U.S. privately owned yards averaged 8 to 32 percent lower than the same type of work in the Navy yards. There was no suggestion in either report that the work performed at the lower cost private yards were inferior to that done in the higher cost Navy yards.

Navy logistics officers time and again have admitted the Department's utter dependence upon the private yards for support in times of war or emergency. Yet the powers that be, seem ever ready to bypass the private yards in favor of their own jealously guarded facilities.

It seems rather contradictory to argue the necessity for keeping Defense facilities in major allied countries in a condition of readiness for expansion in an emergency, when every move Navy makes, or proposes, tends to weaken further our country's private shipyard facilities, upon which the Navy must place first dependence.

Is it not enough that we made possible rebuilding and modernization of shipyards in all Europe and Japan that have taken from us the world leadership in this field? I think we have done more than enough in this respect. In view of these latest proposals, I consider it urgent that the administration's leader-

ship acquaint the Department of Defense and its Office of International Security Affairs with some facts of life in the shipbuilding field to which Defense might well give due consideration.

I am today writing to Secretary of Defense McNamara expressing my strong opposition to this proposal.

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

Mr. MAHON. Mr. Chairman, I yield such time as he may desire to the gentleman from Maryland [Mr. FRIEDEL].

Mr. FRIEDEL. Mr. Chairman, I wish to associate myself with the remarks of Congressman GARMATZ and compliment him on his statement.

Mr. Chairman, the private shipyard industry of the United States seems to be a favorite topic of discussion these days. The Maritime Administrator has publicly suggested that we should have merchant ships built in foreign shipyards. The Department of Defense, according to the newspapers, is considering the construction of naval vessels in British shipyards. And, the Navy Department has successfully—though erroneously in my opinion—convinced the Congress that more Navy ship contracts should go to the naval shipyards.

All of this, of course, works to the disadvantage and detriment of the U.S. private shipyard industry. All of this reminds me of a poem by Rudyard Kipling, which went like this:

God and the shipbuilder we adore
In times of danger, not before
With danger passed
And all things righted
God is forgotten
And the shipbuilder slighted.

To illustrate, Mr. Chairman, the lasting significance of shipyards—in times of peace as well as in times of emergency—I include in the body of the RECORD at this point, excerpts from a very comprehensive speech entitled "U.S. Private Shipyards—A Vital National Asset," by the president of the Shipbuilders Council of America, Mr. Edwin M. Hood, a native of my home city of Baltimore, Md.:

U.S. PRIVATE SHIPYARDS A VITAL NATIONAL ASSET

(By Edwin M. Hood, president, Shipbuilders Council of America)

(The remarks were delivered by Mr. Hood at the 13th Annual Fort Schuyler Forum, Fort Schuyler, N.Y., on Mar. 13, 1965)

In recent months, the full spectrum of U.S. maritime policies, programs and problems has been given more public airing than at any previous time in the last decade. This development has been helpful in focusing attention on the complexities of present conditions within the U.S. merchant marine community; in focusing attention on the relationships between shipping and shipbuilding; and in focusing attention on the role of maritime endeavors in our national economy, national security, and global strategy, as well as in our national aspirations for expanded trade and commerce.

MARITIME POLICIES ARE AT THE CROSSROADS

Now that the general proposition has been stated, the coming months will be devoted to the important process of decision making. Underlying this task will be the need for determinations of which courses of action, which programs and what budgetary commitments will best serve the public interest.

There are also collateral questions of terminology and definitions, and of correspondent obligations among the separate agencies of the Government which must be answered. A better understanding of the correlation between dollars invested and earned, gross national product, tax revenues, and the balance of international payments is also required.

In all of this, unassailable logic, rational thinking, incontestable statistics, and orderly programing are required as never before. In all of this, the Secretary of Commerce has given positive assurances that the viewpoints of all segments of the maritime industry will be given careful evaluation.

During a March 3, 1965, hearing of the House Committee on Merchant Marine and Fisheries, Secretary Connor stated that, because of the balance-of-payments deficit, the policy of the administration "at this time" is to require the construction of merchant ships in U.S. commercial shipyards. His statement tends to clear the air, at least temporarily, with respect to rumors which have been prevalent for many months suggesting that some unspecified number of U.S.-flag ships would be built in foreign shipyards.

Standing alone, these rumors have created a state of confusion in the U.S. shipyard industry. Management, labor, suppliers, investors, bankers, naval architects, marine engineers, customers, and others, could only view the future with apprehension until Secretary Connor dispelled the brewing storm clouds.

But, his statement must be regarded solely in the context in which it was made—the imbalance of international payments issue. When that problem is solved—and certainly President Johnson's actions are directed toward an ultimate solution—the alternative of foreign building for all or part of the U.S.-flag merchant fleet could very well be revived. Meanwhile, the importance of U.S. shipbuilding to our national well-being must be placed in better perspective.

The private sector of the U.S. shipyard industry is composed of more than 300 commercial establishments. They range from small to medium to large facilities. Many are equipped to perform both shipbuilding and ship repair. Some are only shipbuilders. Others limit their operations to ship repairing. A number have diversified into other activities—such as the construction of heavy industrial equipment, wind tunnels, centrifugal pumps, kiln plants, missile and rocket components, hydraulic turbines, and so on. A few are engaged in the exploration of the emerging ocean sciences. But, shipbuilding, ship repairing, ship conversions and ship overhauls remain the principal source of revenues for the private yards.

PRIVATE YARDS—MAJOR FORCE IN U.S. ECONOMY

The latest figures available from the Department of Commerce census of manufactures showed that the value of shipwork done in U.S. private shipyards during 1963 totaled \$1,499,700,000. Of this amount, merchant ship construction of all types represented \$314,145,000 or 20.9 percent. Repairs and conversions to merchant vessels of all types amounted to another \$276,514,000 or 18.4 percent. In other words, 39.3 percent of the total volume of work performed in domestic shipyards in that year can be attributed to work on merchant vessels, and about 13.3 percent involved ship construction contracts coming under the jurisdiction of the Maritime Administration.

Again, according to the 1963 census of manufactures, the private shipbuilding and repairing industry employed 114,205 people, including 96,053 production workers, with a total payroll of \$779,678,000. Approximately 10,000 shipyard employees are directly or indirectly engaged on Maritime Administration contracts. Based on the ratio of purchased goods and services to total ship cost, it is

estimated that another 10,000 persons in supporting endeavors and industries earn their livelihood as a result of the Maritime Administration shipbuilding program. It should be pointed out here that every State of the Union provides a component, resource, or service that goes into the construction of every ship in a U.S. shipyard.

Government economists use a factor—known as the multiplier effect—of one job in industry creates one job in supporting services or commercial enterprise. Thus, shipbuilding under Maritime Administration auspices accounts for about 40,000 jobs and more than \$300 million in gross national product. Since by Bureau of Labor Statistics yardsticks, the average family size is considered to be 3.7 persons, the loss of Maritime Administration ship construction in U.S. shipyards would have the potential of removing the means of support for about 148,000 persons. The inclusion of repair work on Maritime Administration-sponsored vessels would of course increase this latter figure significantly.

FEW INDUSTRIES MATCH SHIPYARDS' COST-CUTTING ACHIEVEMENTS

In spite of steadily rising material and labor costs, U.S. private shipyard selling prices are still 15 to 20 percent below the 1957 level. Intensive cost reduction programs continue in all of our yards. Through meaningful investments of risk capital (\$24,104,000 in 1963 according to the census of manufactures), and with typical American optimism in the future, facilities and techniques in U.S. commercial shipyards are constantly being improved.

Most of the modern shipbuilding know-how—cost control, reduced scale lofting, optical layout, automated flame cutting, shot blasting, automated material handling, new welding processes, and subassembly prefabrication—are already being employed. Computerized operations and tape control of various fabrication processes may soon bring about even more improvements in our shipyards and shipbuilding methods. The opportunities for extensive automation, such as have given U.S. manufacturers of mass consumption items a productivity edge over foreign competitors, are limited in shipyards by the job shop nature and variability of shipwork. However, we have been encouraged to hear the Maritime Administrator say " * * * by and large our shipyards' equipment and methods are the equal of most in the world."

Private yard utilization has been at less than 45 percent of capacity. There can be no question that an increase in activity levels—an increase in the volume of merchant shipbuilding contracts—would reduce unit costs by lowering the amount of fixed costs per unit of production and by making possible more extensive automation of shipyard techniques.

KEY PROBLEM: THE DISPARITY BETWEEN U.S. AND FOREIGN LABOR COSTS

Our country and an increasing number of American industries face an economic disadvantage when competing in world markets. U.S. products and services are frequently much higher in cost than those of foreign nations. This is principally due to our higher standard of living and the higher wages necessary to support that standard of living. The American way of life contemplates, for all citizens, a house, a car, work-saving appliances, leisure time and vacation, a good education for their children, health and medical care, and more. To provide these, a wage structure has emerged here which is more affluent than that of any other country in the world. In reference to comparative labor costs, the wage levels which prevail in American shipyards range from double to four times those paid by foreign shipyards for the same skills. Thus, where a worker in an American yard earns in excess of \$3 per hour

his counterpart in Japan receives less than 75 cents per hour.

The extent to which U.S. services and industries are vulnerable to foreign competition because of this wage cost disparity varies considerably. Many industries, by reason of special circumstances, have a built-in advantage of facing foreign competition. For example, retail businesses, the construction industry, public utilities, and certain other nonmanufacturing enterprises are automatically immune because of laws which prohibit foreign citizens from working within the United States at less than our minimum wage scales.

It is sometimes noted that U.S. airplane manufacturers are able to compete on the world market. The question which inevitably follows is: "Why can't the shipyards?" The answer, of course, rests largely in the fact that aircraft are generally mass produced in greater numbers than ships. But, even more than that, the Federal Government has provided the aircraft industry with a high degree of encouragement, incentives, and assistance.

To illustrate: In fiscal year 1965, the amount of Department of Defense expenditures for research, development, tests, and evaluations of aircraft is about equal to the value of all Government ship procurements from private shipyards, including naval vessels plus merchant ships for the subsidized fleet. We are talking about a figure of the magnitude of nearly \$900 million in a single year. This support to the aircraft industry for research alone is nearly three times the average total level of merchant ship construction and operating subsidy funds. And yet, it is suggested that the Federal investment in our merchant fleet is too high.

Shipbuilding and shipping are among the few national activities wherein a direct confrontation occurs between U.S. and foreign wage levels, since a ship is its own means of transport, requires no special packaging, and so on. This perspective of their unique economic vulnerability to low-cost foreign competition must be taken into consideration when evaluating or proposing rules, regulations, and programs pertaining to the maritime industry.

It is not appropriate to chastise or downgrade U.S. shipbuilders and U.S. ship operators simply because this wage disparity is more easily recognizable in their situation than in most other industries.

SEAPOWERS HAVE A PRICE TAG

As a practical economic fact, a dollar spent in direct subsidy payment via congressional appropriations is no more of a subsidy than an extra dollar spent to build our roads by virtue of excluding low-cost imported foreign labor from participating in their construction. The U.S. maritime industry has been unfairly criticized because the support given it is a tangible figure while many other industries receive Federal supports which are disguised but which are just as real.

A more positive approach would be to concentrate on constructive ways to achieve our national objective of a strong, viable, merchant fleet at the lowest public cost and to recognize, as realistic necessities, programs such as ship-construction subsidies, operating-differential subsidies, and cargo preference cargoes for U.S.-flag shipping.

Since an effective maritime effort would not be possible without such protective measures, the underlying issue before us at this time should not be the cost disparity, but instead a judgment as to how much shipping and shipbuilding capability we must maintain in our own national interest. Proposals to restrict subsidy payments at the present level of appropriations are, in effect, recommendations to diminish this Nation's seapower and to proscribe the industry's future growth. Suggestions to eliminate or reduce maritime assistance programs are truly pro-

posals to transfer American-flag shipping services to foreign-flag shipping lines and U.S. shipbuilding opportunities to foreign shipyards.

Indeed, we must establish with certainty the relationship of shipping and shipbuilding to our national economy. We must decide how much maritime capability we need to support our leadership role as the defender of freedom for all mankind. We must decide how much maritime capability we need to protect our economic interests as a nation virtually surrounded by water and dependent more and more on international commerce. We must resolve to have sufficient shipyard capability to support these national needs at all times and under all conceivable circumstances. If Y represents the present level of tonnage carried aboard U.S.-flag ships (less than 10 percent), we must resolve that by X years U.S.-flag shipping will be carrying Y plus Z percentage of our own trade and commerce.

Having made these decisions in the national interest, the cost must be approached in the same manner that the cost of placing a scientific team on the moon is approved with alacrity. There are many side benefits to these expeditions in outer space, just as there are many side benefits to an effective maritime effort. Having made these decisions, we must be prepared to build ships, as required, in U.S. yards—not on the basis of how cheap, or how much, but on the basis of how good in terms of serving national needs. We must assure U.S. labor that job opportunities are not going to be diverted to foreign shipyards.

U.S.S.R.'S MASSIVE MARITIME BUILDUP

The Soviet Union is moving rapidly to control the oceans and trade routes of the world. As a naval power, she is already second only to the United States. As a maritime power, experts predict she will surpass the United States in less than 2 years. Russia presently has nearly 6.5 million dead-weight tons of merchant ships under construction or on order—673 merchant vessels compared to our 40. She is committing large domestic resources and a substantial portion of her foreign exchange to enlarging her merchant fleet.

This extensive building program represents the Communists' approach to the cold war on the economic front, and recognizes merchant ships as instruments of major economic influence. The present Soviet merchant shipbuilding effort is more than 10 times that of the United States. Nearly 2 million tons of the vessels under construction for the Russian flag are being built in Russian shipyards, an activity level 3 times that in U.S. shipyards. It should be noted that the Soviet Union has placed shipbuilding contracts with other countries—including some of our friends in the community of free nations—only because of this high degree of utilization of her own shipyard capacity.

A reference has also been made to the fact that Norwegian shipowners build many of their ships in other countries, and it needs to be pointed out that Norway has only a limited shipyard capacity. In addition, the British Fairplay Shipping Journal of February 5, 1965 includes these comments: "Norway evidently favors her own yards for the smaller type of vessel * * * few Norwegian yards are in a position to arrange for first priority financing, and there is no doubt that some of the yards have had to forgo several contracts for this reason."

To offset the ocean threat of the Soviet Union, and to facilitate the decision determinations previously mentioned, it seems to me that the subject of Federal support for maritime activities must be reoriented.

SHIPPING AND SHIPBUILDING INTERRELATED

Some authorities advance the notion that shipbuilding and ship operations are separate and distinct activities. From this they

conclude, in essence, that reliance on foreign shipyards would not importantly decrease job opportunities for U.S. citizens, and that a greater use of foreign-flag shipping to transport our trade and commerce would not significantly take away job opportunities for our people. This kind of thinking ignores not only some of the relationships already cited, but fails to take into account possibilities for more effective and efficient allocation of resources and manpower coming within the purview of maritime subsidies. In other words, despite the wage cost disparity, are there ways by which more jobs in the maritime industry can be held by U.S. citizens rather than citizens of some foreign country?

There are, but first the industry must be viewed as a single unit. Shipbuilding, ship repair, and all of the various categories of ship operations—subsidized and unsubsidized services, tramp operators, domestic deepwater carriers, inland waterways operators, the Great Lakes fleet, and all of the others—must be considered one with the other in terms of the aggregate. To use a popular economic term, the industry can be strengthened by developing methods to maximize its hardware—ships, shipyards, and personnel.

As a viable component of merchant marine capability, shipyard hardware can only be maintained and maximized in direct proportion to the availability of shipbuilding and ship repair work in the United States. Obviously, to build or to repair ships in foreign shipyards would constitute a decision to forgo a fundamental part of the industry's hardware and to allocate shipyard jobs and production facilities to other nations.

The problem with respect to maximizing the hardware represented by ships is less clearcut. But even on cursory examination, it is readily apparent that ship construction and ship operations are closely interrelated.

Mr. MAHON. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. McGRATH].

Mr. McGRATH. Mr. Chairman, I wish to associate myself with the remarks of the gentleman from New Jersey [Mr. CAHILL], and the gentleman from Maryland [Mr. GARMATZ].

Mr. Chairman, I also support the recommendation of the gentleman from New Jersey [Mr. CAHILL] that a committee be named to make an independent study of ways in which our private shipyards can be kept open and flourishing.

It is important to the United States that our Nation have private shipyards and that they be given sufficient funds to do a good job. Although the present governmental policy is to buy ships through competitive bidding and, on occasion, from foreign nations, I feel this can be unfair in that the use of cheap labor is employed in foreign countries in order to permit low competitive bids.

Privately owned shipyards should be kept open in the United States in order to be able to provide the necessary increase in shipping in the event of war and to keep up our Merchant Marine fleet.

Furthermore, Mr. Chairman, I believe the Government should do everything possible to provide a contract to the New York Shipbuilding Corp., located in Camden, N.J., which has not had such a contract for some time and is, in fact, being threatened with closing. The closing of this shipyard would work a tremendous

hardship on the economy of the State of New Jersey and would affect many residents of the Second District, which I have the honor to represent, and who are employed by the New York Shipbuilding Corp.

Mr. MAHON. Mr. Chairman, I yield 5 minutes to the gentleman from Washington [Mr. ADAMS].

Mr. ADAMS. Mr. Chairman, I am grateful to the chairman of the full committee for the time he has granted to me.

Mr. Chairman, I rise in support of H.R. 9221. I want to compliment the chairman and the members of the committee for what I consider an excellent presentation and bill. I might mention, because of the colloquy that took place here regarding the Boeing Co. and the General Dynamics Co., I, being one who you might say has an interest in one of the participants in that, that as far as we are concerned this is water over the dam and we look only to the future. The past is the past and the past is closed.

Mr. Chairman, I want to particularly address my remarks to the research and development funds for the Air Force contained in title IV of the bill and attempt to bring to you some comparison with recent Russian technical achievements.

I have just returned from the International Exposition on Air and Space in Paris, France, and want to bring to the attention of the Members of the House the tremendous impact created by the Russian exhibition and specifically the AN-22.

This is a giant turboprop aircraft which the Russians publicized as being capable of transporting more than 700 passengers. The U.S.S.R. also exhibited one of their Vostok space capsules which have been the basis of their extensive orbiting of the earth, and a MIL V-10 flying crane helicopter purported to be able to lift over 40 tons. Unfortunately, the United States did not have comparable exhibits in these vital fields of commercial transport and space development.

I specifically mention these items because title IV of this bill includes an item of \$157 million for the development of the C-5A heavy logistics transport aircraft which will be America's answer to the AN-22. I believe it is very vital that we promptly pass this bill and I hope the other body will act on it promptly so that we can look to having a competitive transport to the AN-22 in the near future.

I examined the Russian cargo carrier with care and my measurement of the interior indicated it to be approximately 15 feet in diameter. I have been through mockups of the C-5A and the AN-22 is not as large as the proposed C-5A but it is certainly large enough to carry almost any heavy piece of military equipment, which will give the Russians the capacity to move mechanized division strength units throughout the world at speeds over 500 miles per hour.

In my conversations with American technical experts who had been able to enter the cockpit, I found general agreement that this was a handmade prototype airplane. For example, the radio

and navigational equipment appeared to be hand tooled for this specific craft. It was undoubtedly made specially for the exhibit to create a psychological impact and in this it was successful.

In my opinion, the C-54 is a superior concept. It will be jet powered and its interior design is superior. The Russians did not demonstrate the AN-22 and they were reluctant to discuss with our exhibitors its performance characteristics. It seems clear that they do not want to discuss ton-mile operating cost estimates. Whereas, the proposed C5A is directed towards greatly reducing ton-mile costs for moving of military personnel and equipment.

I would like to recommend that we immediately consider the development of the C-54 for civilian as well as military use. In my opinion, it would be more than competitive with the Russian AN-22 and would usher in a new era in low-cost, high-volume transportation of freight and people. The C-54 is designed to carry in excess of 700 persons whereas it is gross exaggeration to say the AN-22 could carry 700 persons without stretching the airframe. I do not, by these remarks, however, want to lull you into a sense of complacency because the AN-22 is a flying prototype and is by far the largest air transport in the world.

We certainly need the C-54 and the plane has built-in economies that will make the initial investment well worth it. The entire concept of military operations throughout the world is changing and the C-54 is absolutely necessary. In the future we will depend less and less on large inventories of military hardware and large concentrations of personnel disbursed throughout the world.

Instead we will depend upon Operation Airlift and Operation Sealift to move material and men immediately to trouble spots. We are already started on this program which has created significant savings in the cost of operations and investment in inventory. The C-5A will amplify and perpetuate this strategy and will allow our defenses to remain flexible so that we may react quickly to changing situations.

While discussing the C-5A I would like to spend a moment on the supersonic transports. The front page of the exhibition program which was distributed to technical representatives of every country in the world contains a picture of the British-French Concorde. We are all aware that the cost of development of a supersonic transport is so large that no private company can develop this plane. In fact there are few governments in the world that can afford such an investment. Therefore, the British and French have successfully joined their engineering talents and finances to move ahead in the worldwide race to develop a supersonic transport. This is the Concorde. I wish to alert you, my colleagues, to the fact that we have been talking about a supersonic transport in America for many months, but we have not made any decision to proceed with it, and even if we were to authorize its development by the U.S. Government today, we would face the

fact that the Concorde will be an operational aircraft at least 1 year before the American version is available. This could well mean that the major airlines of the world will be committed to the British-French Concorde, and every day we delay means it will be more difficult for American competitors to enter this commercial transport market of the 1970's. To me, the development of the C-5A and supersonic transport move together because these planes indicate the pattern of commercial air transportation for the 1970's.

Finally, I wish to compliment the committee for including in the bill funds for the Manned Orbiting Laboratory program. The demonstration of the Russian Vostok at the International Exhibition shows beyond doubt that the Russians are committed to impressing upon the world their technical competence in space. Frankly, from my examination of the space capsule—with its use of a solid construction with an overall heat shield as opposed to the more sophisticated honeycomb construction with maneuverability characteristics of the American Gemini and Apollo spacecraft—indicates that we in America are still ahead of the Russians in the technology of space. It is clear, however, from examination of the Vostok and particularly of the space suit development of the Russians that they are moving ahead very fast. I was very disappointed to see in Paris that the United States did not have a comparable space exhibit to that of the Russians and we did not even have a "mockup" of the Gemini capsule. I am grateful that the decision was made to have Vice President HUMPHREY and our two recently returned astronauts, Major McDivitt and Major White attend the exhibition. Literally thousands of the French people stood in line at the American Embassy to greet them.

I want to express my appreciation to Chairman MILLER of the Science and Astronautics Committee for inviting me to attend the exposition. There is no substitute for personal involvement in discussing the factors involved with the people on the spot. It is much more effective to view, with your own eyes, and evaluate your own impressions than to absorb a host of reports, however detailed. I know each of you, my colleagues, feel as I do, that our job is to determine whether we are spending our money wisely in our space and aeronautical programs and whether we are remaining competitive with the other great powers.

In conclusion, I would state that I do believe we are significantly ahead in major areas of space and aeronautical development but there is no time to rest or even pause. The British-French "Concorde" and the Russian AN-22, with the Russian superhelicopter, the Myasishchen V-10 prove beyond doubt that we in America have no monopoly on talent or productive genius. Let us go forward so that we and our children may live in peace and prosperity in the decades before us.

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

Mr. ADAMS. I yield to the gentleman from Texas.

Mr. MAHON. The gentleman, of course, is familiar with the fact that in this bill we have total recommended appropriations of about \$157 million for the C-5A program.

Mr. ADAMS. Yes, Mr. Chairman, I am. I am hopeful, as I say, that this aircraft will also be developed for possible future civilian use. This was the thrust of the Russian exhibit. They exhibited it as a civilian aircraft, but it is very clear that it is a major troop-carrying and equipment-carrying transport.

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

Mr. ADAMS. I yield to the gentleman from Florida.

Mr. SIKES. I should like to say that I think the gentleman has made a distinct contribution to the debate here today. I have listened to his statement with a great deal of interest and appreciation.

Mr. ADAMS. I thank the gentleman from Florida.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that the gentleman from Oregon [Mrs. GREEN] may extend her remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mrs. GREEN of Oregon. Mr. Chairman, I would point out that for the past 2 years the Congress has considered and acted favorably upon a provision to assure that a minimum amount of naval conversion, alteration, and repair work would go to private naval yards. The reasons for this have been sound in past years and are even more sound today in light of the current world situation. Chiefly, they are that it is indisputably cheaper to convert, alter, or repair a naval ship in a private yard than in a Navy yard; and that it is vital to our national security requirements that private yards be kept in a reserve status able to respond to naval defense requirements in the event of international crises.

To expand briefly on these points, let me recall to my colleagues the results of two cost analysis studies made in this field 2 years ago. Both of them clearly established the fact that it is, depending on the type of work, from 9 to 33 percent cheaper to do naval repair work in private yards than in Navy yards. And, Mr. Chairman, one of these surveys, as has been mentioned in previous years was conducted by the Navy itself. It is indisputable that it is cheaper to do the work in private yards.

As for "readiness" requirements, the facts of both the First and Second World Wars when private yards were called upon on short notice to perform virtual magic in increasing their production levels to meet national needs should demonstrate the need to keep these yards operating and to keep a reserve pool of trained civilian technicians available in case of national need.

With these two points in mind I would suggest that logic dictates that our national defense and economic interests de-

mand that we take a compromise approach to this issue. We all admit the need for operating Navy yards during peacetime, and the facts clearly show us the need for keeping private yards at an operating level along with them. When the time of crisis comes we are not going to have need of one or the other of these yards—we will need them both. For this reason I would urge the Secretary of the Navy to take appropriate action to insure diversion of a sufficient amount of work to private yards to keep them at a skilled operating level.

Mr. MAHON. Mr. Chairman, I yield such time as he may require to the gentleman from New Jersey [Mr. KREBS].

Mr. KREBS. Mr. Chairman, I should like to go on record commending my colleague, the gentleman from Camden, N.J., Congressman CAHILL, and say that we are well conversant with the problems that the shipbuilding situation has caused in his area.

However, I want to point out that this is not peculiar to that area alone. We are suffering the same ailments in northern New Jersey, in the Kearny-Newark-Hoboken area.

Mr. Chairman, I feel that it is high time something be done to provide work for the tens of thousands of skilled shipbuilders who have lost their jobs. Unless something is done, I am fearful they will have permanently lost their jobs.

Mr. Chairman, I thank the gentleman from Texas for yielding to me this time.

Mr. SKUBITZ. Mr. Chairman, I want to commend my colleague, the gentleman from Florida [Mr. SIKES]. It is about time that we began facing up to reality rather than seeing only those things we want to see.

For a number of years nearly one-half of our budget has been for national defense. We in the Congress appropriate funds for the national defense and then go happily on our way assuming that our country is adequately protected.

I agree with my colleague, the gentleman from Florida [Mr. SIKES], that we spend too much time talking about design and planning and not enough time getting the job done. One might be led to believe, at times, that all it takes to build a plane is to attach two \$1 bills with a safety pin and a fighter plane is brought into being. I believe that we should quit using the kid-glove approach in dealing with the Defense Department and resort to brass knuckles instead.

We have been advised today that the Russians now have a plane in being which we only talk about constructing; that we are planning a followup bomber to replace the B-52 while the Russians may already have them in production; that the TFX is in trouble and its weapon system in deeper trouble. Is it not about time that this body stop, look, ponder, and ask why?

We have all read glowing reports released by the Defense Department concerning the TFX. But listen to what the committee report has to say on page 38:

The F-111B is the Navy carrier-based version of the advanced supersonic F-111 aircraft. Armed with the long-range Phoenix

air-to-air missile system, it is scheduled to perform a major mission in naval aviation. Two serious problems have been encountered in this program. One relates to the weight of the aircraft and the other to the development of the Phoenix missile system. While noting these problems with some concern * * *.

I say to you being "concerned" is not enough. It is time that we find out how one man was able to overrule the considered judgment of the military leaders of the country. Texas may have been successful in getting the TFX contract but it now appears that the Nation is going to get the second-best place.

We were led to believe that the Texas-made TFX which was supposed to cost less money than the Boeing plane is now costing Uncle Sam a great deal more than originally estimated. According to the committee report—page 37—instead of a \$6 billion program the cost of the total program is now to be \$7 billion. Boeing may have had its wounds treated by receiving other contracts but for reasons unknown to me, very little or none of the new contracts awarded to Boeing are being completed at the Boeing Wichita plant where the rate of employment is steadily decreasing.

I shall support this bill because I believe that it is in the national interest that I do so. I must confess, however, that I am not impressed with the committee's report that this appropriation is \$2.5 billion less than last year's budget. There is no doubt in my mind that before this fiscal year is over supplementary requests will be submitted to us that will take all or a great portion of this amount.

The CHAIRMAN. If there are no further requests for time, the Clerk will read.

The Clerk read as follows:

Page 17, line 5:

"Sec. 538. None of the funds provided herein shall be used to pay any recipient of a grant for the conduct of a research project an amount equal to as much as the entire cost of such project."

AMENDMENT OFFERED BY MR. LIPSCOMB

Mr. LIPSCOMB. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LIPSCOMB: On page 47, after line 8, insert a new section as follows:

"Sec. 539. None of the funds provided in this Act shall be used for the Special Training and Enlistment Program."

And in line 9, change "Sec. 539" to "Sec. 540".

Mr. LIPSCOMB. Mr. Chairman, at the end of a long debate on a very important bill, probably the most important bill that any of us could be voting on, because it affects the national welfare and security of our Nation, this amendment may seem rather unimportant and minor. It amounts to only \$24.2 million, but there is a principle involved here that we as the Congress should examine.

This amendment, as it is introduced, is to provide that no funds contained in this bill shall be used for the special training and enlistment program, which is commonly known as the STEP program.

We recommend that the funds be retained in the budget, however, for use on emergency problems which call for necessary increases in spending, such as Vietnam.

As will be recalled, the STEP program, which was discussed during debate on this bill and is discussed in the additional views in the report accompanying this bill at page 66. This is a program where men who wish to volunteer for the U.S. Army and who do not come up to the present mental and/or physical standards will be taken into the Army, given their basic training plus extended training from 6 to 14 weeks, then if they qualify they will be taken into the service.

There is no demonstrated need for the STEP program and if the hearings are read carefully, you can determine this.

In terms of overall numbers the Army receives sufficient manpower through enlistment and the draft. The major Army problem relating to acquiring and retaining skilled personnel is another matter and the STEP program would contribute practically nothing toward solving a problem of this nature.

In addition to this fact, there is no need for the STEP program. It could aggravate existing problems and create new ones.

This program would duplicate work being done by other agencies, at other levels of government, and privately. It would aggravate an admitted shortage of teachers. Serious questions could be raised as to just what STEP enlistees' course of study would be.

I would like to call your attention to the committee report, page 25, where the majority of the committee had this to say:

The committee has some doubts with respect to the potential success of the STEP program. There are dangers inherent in the proposal to accept persons not physically qualified even though such acceptances are to be of persons with "readily correctible" deficiencies.

The committee is aware that the STEP program appears to duplicate, in part at least, training proposed to be provided by the Job Corps. However, if both the STEP program and the Job Corps are successful and all applicants from both groups were to succeed in obtaining enlistment in the Army, there would still be a necessity for substantial draft calls.

There is an unbelievable amount of confusion as to the cost of the STEP proposal, and it should be emphasized that it is envisioned as at least a 4-year program.

The amount contained in the bill is \$24.2 million for STEP during fiscal year 1966. There seems to be no way to tell, however, whether that is an accurate cost figure for the first year, or how much it would cost for 4 years. There are varying factors involved such as how many would be retained in the Army, what costs can be appropriately classified as STEP costs, and so forth.

One set of estimates presented to the committee place the 4-year cost at \$144,630,000. This was based on an assumption that half the enlistees could be retained in the Army. Of course, no one can tell with accuracy, just how many

will be retained so this is really an exercise in guesswork.

I would encourage the House to support this proposal and thus delete the funds for the STEP program.

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

Mr. LIPSCOMB. I yield to the gentleman.

Mr. GROSS. I want to compliment the gentleman on his amendment and say I thoroughly agree with him with respect to the special training program. It is my understanding that this will not stop any other training program presently being pursued.

Mr. LIPSCOMB. That is correct.

Mr. GROSS. We ought to save this \$24 million that would be expended for the special training program and dedicate it to a pay increase for those of the rank of staff sergeant and below. Let us retain these skilled people in the armed services and we will be doing the armed services of this country far more good than to initiate another special training program.

Mr. LIPSCOMB. I thank the gentleman for his contribution.

Mr. MAHON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, all of us would like to see the draft program eliminated. If we could eliminate the draft and get people into the Army who are motivated to make the Army a career, it would undoubtedly be in the public interest. Of course, there is not a man or woman here who would not like to go home and say that he had tried to find a way to eliminate the draft, within limits, or at least to reduce the draft.

The purpose of this so-called STEP, the special training and enlistment program, is to reduce the number of draft calls in your State, in your district and in mine, and to take men into the service who want to be in the service. This is all voluntary. A man would apply to enlist in the Army. Maybe he does not quite meet all the physical and mental standards. In view of his desire to enter the service as an enlistee and not on a draft basis, this program provides that he shall receive some training and correction of those physical defects that are correctible so that he can go into the service.

I have some doubt as to whether this program will prove to be an outstanding success. I hope it will be. I hope it will be so successful that draft calls can be considerably reduced. I do not know.

Any man who is taken into the service must be given certain basic military training. This would give some additional educational training, to let these people who are begging to get into the service have an opportunity to get in.

Training of the average Active Army man cost \$3,387. Under the STEP, to train a man who enters through this program would cost \$4,104, or about \$717 more per man. Total program costs, and net comparative costs are quite difficult to obtain; it all depends upon the retention and reenlistment assumptions one makes.

If these men who want to go into the service, and who enlist through the

STEP, remain in the service over a period of time, the Government would in the long run be compensated for the additional expense involved.

The program is an effort to save human resources to some extent, to help people enter a career which they would like to enter. If 77 percent or more of them remained in the service, then this program would be a success financially.

So there are more things involved than meet the eye here.

Since the administration has made this request and the program is supported by the President, the Secretary of Defense, and from the Secretary of the Army, who made an eloquent plea for it—I am willing to give them an opportunity. It may not succeed, but I am willing to give them an opportunity to try it. I should like for Members to join with me in defeating the proposed amendment.

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

Mr. MAHON. I yield to my good friend, who is a member of the committee.

Mr. MINSHALL. The gentleman mentioned the cost of the STEP program as being only \$4,000 per man. That is not for 2 full years.

Mr. MAHON. This is for 6 months.

Mr. MINSHALL. I respect the Chairman for his views, but on page 25 of the report—I believe the Chairman would agree with the report—it is stated:

The committee is aware that the STEP appears to duplicate, in part at least, training proposed to be provided by the Job Corps.

I do not see how the gentleman can reconcile the statement just made with that.

Mr. MAHON. Let me read from the report:

The committee is aware that the STEP appears to duplicate, in part at least, training proposed to be provided by the Job Corps.

It does duplicate it to some extent. A man going through the Job Corps would cost \$5,000-plus. Then we would have to pay \$3,387 for his basic military training if he became an enlistee. If he were motivated to go into the service, we could take him directly into the service, and I believe that would be cheaper.

The report continues:

However, if both the STEP and the Job Corps are successful and all applicants from both groups were to succeed in obtaining enlistment in the Army, there would still be a necessity for substantial draft calls.

This program would not wholly eliminate the need for the draft, but it would be a move in that direction.

Mr. GEORGE W. ANDREWS. Mr. Chairman, I move to strike the requisite number of words.

I rise in opposition to the amendment.

Mr. Chairman, and Members of the Committee, the purpose of this so-called STEP is to permit men who want to enlist in the Army to do so. The reason why they cannot be accepted is they have a minor physical defect or an educational deficiency.

I should like to read from the statement made by Secretary Alles before our

committee, as shown on page 515 of part 3 of the hearings:

Basically, the STEP is a program under which we will give educational training or medical treatment to some of the volunteers for enlistment in the Army who are now being turned away because they do not meet Army enlistment standards.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield to me?

Mr. GEORGE W. ANDREWS. I yield to the Speaker of the House.

Mr. McCORMACK. As I understand it, the present minimum standard for enlistment is an AFQT score of 31 points.

Mr. GEORGE W. ANDREWS. That is correct.

Mr. McCORMACK. This is the requirement for voluntary enlistment and it is for a 3-year period, as I understand it. Then, between an AFQT of 21 and 31 they can enlist them and, in addition to their basic military training, they have about 6 weeks of educational training. However, if they do not make the minimum AFQT of 31, then they are discharged.

Mr. GEORGE W. ANDREWS. It is a 14-week minimum program.

Mr. McCORMACK. But that includes the military training and the basic training.

Mr. GEORGE W. ANDREWS. That is right.

Mr. McCORMACK. I understand if they are not taken in, then they can be drafted later.

Mr. GEORGE W. ANDREWS. That is right.

Mr. McCORMACK. The very men we refuse to take in and give the opportunity to can be drafted later, and they as draftees only have to have an AFQT record of 21 points.

Mr. GEORGE W. ANDREWS. That is right.

Mr. McCORMACK. It seems to me it would be logical and commonsense to make this experiment. If they are drafted, they are in for 2 years, whereas if they enlist, they are in for at least 3 years.

Mr. GEORGE W. ANDREWS. The purpose of this program is to take in men who want to get in the Army. They do not want to be drafted, but they want to volunteer.

Mr. McCORMACK. And they serve longer.

Mr. GEORGE W. ANDREWS. That is right.

Mr. McCORMACK. And if they are not taken in, most of them will be picked up later on in the draft.

Mr. GEORGE W. ANDREWS. They could be.

Mr. McCORMACK. Surely.

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

Mr. GEORGE W. ANDREWS. I am glad to yield to the gentleman from California.

Mr. LIPSCOMB. In regard to the Speaker's comments about the fact that they could be let out of the STEP and be free, they become subject to certain veterans benefits when this happens. If they are taken into the STEP and if they are not accepted into regular enlistment,

they become subject to some of the regular veterans benefits.

Mr. GEORGE W. ANDREWS. As I understand it, the only veterans benefits they get under this program would be if they were injured while in service. I am talking about under this STEP.

Mr. LIPSCOMB. If the gentleman will yield further, they would be eligible for these veterans benefits, burial in a national cemetery, a headstone or grave marker, reemployment benefits, assistance in obtaining home loan, and hospital benefits for only service-connected disability. He also may be eligible under certain conditions for unemployment compensation.

Mr. GEORGE W. ANDREWS. I would like to continue reading what the Secretary said on page 515:

The purpose of the STEP is to increase the number of volunteers accepted by the Army without lowering our standards. Volunteers, by definition, wish to serve in the Army; they serve a longer tour than draftees—they enlist for 3 years instead of 2—and they have a much higher reenlistment rate. Thus increasing the number of volunteers reduces personnel turbulence, reduces the number of men, that is, the portion of the Army, in basic training and thus strengthens the Army. For every volunteer accepted in the Army, one less man is brought into the Army by the draft. Many draftees make good soldiers. But, as between the man who wants to serve and the man who does not, all else being equal, we should certainly take the one who wants to serve.

There should be some way in which a man can serve in the Army who wants to do so and is prevented from doing so by a readily correctible educational or physical deficiency. STEP is designed to provide the way.

During fiscal year 1964 over 181,000 young men volunteered for enlistment in the Regular Army. About 111,200 met all mental, physical, and moral standards.

Of the 69,900 who were rejected, 700 failed because they could not meet moral standards or because they lacked both mental and physical minimum qualifications.

Mr. LENNON. Mr. Chairman, will the gentleman yield to me at that point?

Mr. GEORGE W. ANDREWS. I yield to the gentleman from North Carolina.

Mr. LENNON. I am frankly very much interested in the objective sought by the committee here, but I am very much concerned about the language used in the report by the full committee found on page 25. I read:

There are dangers inherent in the proposal to accept persons not physically qualified even though such acceptances are to be of persons with "readily correctible" deficiencies.

For the benefit of the members of this Committee, would you tell us just what your committee had in mind when you spoke of dangers inherent in this program? You do not elaborate on it in the committee report.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. GEORGE W. ANDREWS. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

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

There was no objection.

Mr. LENNON. I would appreciate the gentleman from Alabama telling us just what the committee meant when it said there were dangers inherent in this proposal.

Mr. GEORGE W. ANDREWS. Mr. Chairman, I yield to the chairman of the committee to answer that.

Mr. MAHON. At the beginning of any new program there are always dangers and difficulties and problems, as the gentleman knows, in any field of endeavor. We are seeking in this program to ride herd over it and assure the success of it if we possibly can. We have sounded a word of caution. There are dangers in this program only if there is mismanagement, in my judgment. It remains to be seen if it will be successful. But if the gentleman will read the whole report I think he will see that this is an experiment which we are undertaking. I am willing to undertake it and I believe the gentleman from North Carolina is probably willing to undertake it.

Mr. LENNON. I note that the chairman goes on to say in the report:

Further, the committee insists that persons accepted into the Army upon completion of STEP training must be shown to fully meet standards for voluntary enlistment.

Is that a criterion that the committee has laid down for the Department of the Army and the other branches of the armed services, that the recommendation in the committee report must be followed? Do we have that assurance?

Mr. MAHON. I think so, undoubtedly. But before these men can go into the Army finally as a result of this program they have got to measure up to standards as pointed out by the Speaker which are higher than those for the draftee; because the standards for the enlisted man who volunteers are higher than for the drafted man. So I think that these people who come into the service will be fully adequate. We must bear in mind that in writing the report, while my name is on the report, I have to have respect and give consideration to the views of Mr. LIPSCOMB, and for the views of Mr. LAIRD, and for the views of Mr. MINSHALL and others on the committee and the views of majority members, too.

The report of the committee represents not precisely the views of any one man but all of us. This, I think, is a fair statement. There was concern and some members of the committee did feel that the program would be a complete failure.

Mr. LENNON. I appreciate that, but I was reading from the language of the committee report, not from the language written by the gentlemen whom the chairman has just mentioned.

Mr. MAHON. The language in the committee report was written in view of the general feeling of members of the committee. There was not complete unanimity. There was opposition by a number of members.

Mr. LENNON. This is the language of the full committee?

Mr. MAHON. This is the language of the full committee which is supposed to represent the views generally of the committee.

Mr. LENNON. May I ask the gentleman this: When he uses language such as "dangers inherent" is the gentleman now assured that those dangers found inherent in this program can be met successfully?

Mr. MAHON. I think we do.

Mr. LENNON. That is all I want to know.

Mr. GEORGE W. ANDREWS. Mr. Chairman, may I say in conclusion that the Secretary of the Army said:

The STEP program is aimed at the remaining group of about 69,000. However, not everyone in that group is eligible. * * *

Thus, the total pool of STEP eligible among last year's applicants would have been about 41,900 men. We anticipate that a similar number of eligibles will volunteer for the Army each year for the next few years, and from that number each year we propose to enlist about 15,000 men for the STEP program.

Then on page 637, this question was asked of the Secretary:

Let's assume you get your program underway. Then your draft needs could be reduced by the number of people who graduate, so to speak, from the 14-week course and enter the Army.

And Secretary Ailes said:

Absolutely.

If we had the extra spaces for STEP as I have requested, every time we take a man into the Army from this program, we could cut the draft call by one.

So I think this is a good program. Certainly we at last ought to try it and see if we cannot cut down on the number of draftees.

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

Mr. GEORGE W. ANDREWS. I yield to the gentleman.

Mr. SIKES. I, too, have had some misgivings about this program; I think everyone has. But I think it is worth taking a chance, it is worth trying to see what it will do. All we are trying to do is to encourage voluntary enlistments.

The Army feels that there are these men who have correctible deficiencies who can be made into good career soldiers and who want to volunteer. Mr. Chairman, the enlistments are down. We need to encourage these young people to join the services.

Mr. Chairman, further, we have competition in this program from the war on poverty program. This would help to compete with the poverty program in attracting young men who want to get into the Army and who otherwise would not be able to get in the Army. The representatives on the part of the Department of the Army feel it is good and that they will make good career soldiers.

I am willing to take a chance on it and I am sure the gentleman from Alabama [Mr. GEORGE W. ANDREWS] is willing to take a chance on it.

Mr. GEORGE W. ANDREWS. The purpose of this is to permit about 42,000 men a year who want to get into the Army to do so.

Mr. LAIRD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment which has been offered by the gentleman from California [Mr.

LIPSCOMB]. I would like to direct the attention of the full Committee to the remarks which we have filed as additional views, on page 66 of this report:

SPECIAL TRAINING AND ENLISTMENT PROGRAM (STEP)

STEP is a proposal under which medical care and educational training would be given to enlistees who do not presently meet Army standards. The personnel needs of the Army will not be met by STEP. Testimony before this subcommittee clearly indicated that the major manpower problems faced by the services is to attract and retain skilled personnel. STEP is ill-conceived, duplicates existing programs such as the Job Corps, and would create additional problems without remedying existing ones.

DISCUSSION

The cost of the STEP program as contained in the fiscal year 1966 Defense appropriation bill is \$24.2 million, which would provide for training 15,000 personnel. Under the proposed STEP program, the Army would take marginal enlistees, those it would not otherwise accept, and try to qualify them through a basic training program stretched out from 8 weeks to 14 weeks, or longer, depending on the progress of the individuals.

The subcommittee received considerable testimony about the STEP program, and we simply cannot agree that a need for it has been established. This matter first came up as a reprogramming action in February of this year with a scheduled starting date of April 1, 1965. The Army sought to shift \$7.4 million from fiscal year 1965 funds into the STEP. The request was denied.

The Army clearly does not require this program to obtain adequate manpower. In terms of overall members, it receives sufficient men through enlistments and the draft. The major manpower problems the Army has, as were discussed at length during the hearings, revolve around its need to acquire and retain skilled personnel. The problem of how to retain skilled and experienced career personnel is growing more and more acute. Obviously, the STEP, which would be geared to taking marginal enlistees into the Army, would do next to nothing toward solving the problems in this area.

Aside from the lack of a demonstrated need for STEP, the proposal, we feel, has been justly criticized on many counts. STEP would be duplication of work more properly being done in other areas, on other levels of government and privately. It would, for example, parallel the efforts of the Job Corps, one of whose aims is training youths for placement in the Armed Forces. Specifically, in the Job Corps, Conservation Center Administrative Manual, it is stated that, "Youth selected for the Job Corps would include those who * * * have been unable to pass the educational part of the Selective Service examination * * *". The manual further states that as part of its responsibility, the Corps will help place those youths who have completed their training, and that one of the principal areas mentioned for placement is the Armed Forces.

STEP would aggravate the already admitted shortage of qualified teachers and counselors. It is difficult to determine just what type of curriculum would be offered the STEPees, but it is clear that a major subject would be "Social Studies," which leaves the door open as to specific subject matter and the point of view stressed.

Furthermore, it could produce serious disciplinary problems. The Army has made encouraging progress over recent years toward solving disciplinary problems. In light of

¹ Department of Defense Appropriations for 1966, pt. 3, p. 374.

the testimony that these stem primarily from those in the lowest 10 or 20 percent of the enlistment or draft standards, we feel it would be completely unrealistic to hold that the STEP will not bring about a sizable increase in Army disciplinary problems. Also, even if the men in STEP prove to be incapable of retention in the Army, they would still be veterans and eligible for peacetime veterans' benefits on the basis of their having been in the "Army".

Could it be supposed that the Army would readily admit "failure" in its training if a large amount of the STEP enlistees do not measure up after the training period? We think not, and that the tendency would be to keep as many in the Army as possible—to the detriment of the Army.

If there is no clear-cut demonstrable need for the STEP to enable the Army to obtain personnel, and on the other hand there are many actual and potential problem areas, why should the Army insist on spending \$24.5 million for STEP during fiscal year 1966? (The original budget request for STEP for fiscal year 1966 was \$31.2 million. The reduction is due to the additional delay in schedule in starting this program.)

Despite the many skepticisms that were raised about STEP in the hearings, essentially the response was a dogged persistence that the Army should go ahead and that good could come of it. But to our mind the Army failed to produce concrete evidence as to why such an undertaking is properly a part of the Army's mission.

RECOMMENDATIONS

We believe it is commendable for the Army to show persistence, but that persistence should be directed toward doing the job it was established to do, which is to help provide for our national defense. The Army was not meant to nor should it be called upon to conduct programs such as this.

We believe that the funds included in this budget for the STEP proposal should not be deleted, but that a limitation should be provided in the legislation that none of the funds appropriated shall be utilized for the special training and enlistment program. The funds which had been requested for the STEP, and which we recommended to be retained in the budget, should be used for emergency problems, such as the necessary increases in Vietnam. This is made necessary by the administration's decision to increase our efforts in Vietnam which have not been adequately provided for in the budget.

Mr. Chairman, the hope has been held out here that there will be a reduction in the draft calls because of this program.

I predict that when we come back here next year, the fallacy of that statement will be proven beyond a question of a doubt. This will not reduce the draft calls for the next 12 months.

In addition to that, Mr. Chairman, the Speaker when addressing himself to this particular program made reference to the fact that the required percentile for the Armed Forces qualification's test would be reduced under the terms of this program.

Mr. Chairman, this is not the case. I direct your attention to page 25 of the committee report which clearly states that the QT percentile cannot be reduced while this program is in effect. This states that the STEP trainee must be shown to fully meet standards for voluntary enlistment. This particular program was first set up to bring persons who were unable to meet the QT into the program, but the program as it

has come from the committee maintains the same intelligence quotient that is presently used for enlistments.

Mr. Chairman, the statement made by the distinguished Speaker in regard to this program applied to the old program. However, it does not apply to the program as it comes from this committee.

Mr. Chairman, I happen to serve on the subcommittee which handles the appropriations for the Department of Education and Welfare. In that particular committee we also handle the poverty program. One of the purposes of the poverty program to which we have given a considerable amount of study and work is in the so-called Job Corps program. In the manual creating the Job Corps program, put out by Sargent Shriver, the Director of the poverty program, it is made very clear that one of the major concerns of the Job Corps program under civilian leadership and civilian control is to try to make it possible for many young people who cannot meet draft standards to meet these standards and also to meet enlistment standards.

Mr. Chairman, this program that we have pending before us today has nothing to do with draft standards nor the enlistment standards. Tomorrow the same Congress and the President can reduce the enlistment standards so that many of these people who are being rejected today can go in for special service in the Army, the Air Force, or the Navy.

This only requires a simple change in the present enlistment standards, which can be done now, and it does not require a duplicate program, since the Job Corps is already set up to serve this purpose.

Mr. Chairman, insofar as the cost of this program is concerned, our very distinguished chairman of the committee, the gentleman from Texas [Mr. MAHON], made reference to these costs and I accept the figure of about \$4,000 additional cost for this 14 weeks of training.

But these costs, however, depend quite obviously on the attrition rate. It is conceivable that they could be double the \$4,000 or \$3,857 estimated or even more.

I say, Mr. Chairman, as far as the vocational training and as far as vocational opportunities are concerned, this problem of training can be handled under the Job Corps program. If we want to take any additional enlistees to do a special kind of work in the Army, this can be done today under a special enlistment program without setting up a new vocational training program in the Department of Defense under the control of the U.S. Army. This program can be carried out under civilian control. It is a mistake for us to put the U.S. Army in a position of carrying out a vocational training program or an educational program.

I can well realize the need to get additional people in who want to enlist under this program, but this can be done today under present enlistment rules by merely changing the regulations as they were changed during the Korean war, and as they were changed in World War II. We are embarking on a very costly program here, we are using one of the services of the Department of Defense to carry on

a program for which our military should not be responsible. I urge you to give consideration to keeping this aspect, this educational aspect, in the hands of civilian control and keeping it in the hands of the Job Corps program, and the vocational schools throughout the United States, and in the hands of a civilian rather than the U.S. Army. We should not cast the Army in this role.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. LIPSCOMB].

The question was taken; and on a division (demanded by Mr. LIPSCOMB) there were—ayes 66, noes 114.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk concluded the reading of the bill.

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House, without amendment, with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly, the Committee rose, and the Speaker having resumed the chair, Mr. KEOGH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 9221) making appropriations for the Department of Defense for the fiscal year ending June 30, 1966, and for other purposes, had directed him to report the bill back to the House with the recommendation that the bill do pass.

The SPEAKER. Without objection, the previous question will be ordered.

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

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

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

Mr. MAHON. Mr. Speaker, on the passage of the bill, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 407, nays 0, not voting 27, as follows:

[Roll No. 153]

YEAS—407

Abbott	Ayres	Brock
Abernethy	Baldwin	Brooks
Adair	Bandstra	Broomfield
Adams	Baring	Brown, Calif.
Addabbo	Barrett	Broyhill, N.C.
Albert	Bates	Broyhill, Va.
Anderson, Ill.	Battin	Buchanan
Anderson,	Beckworth	Burke
Tenn.	Belcher	Burleson
Andrews,	Bell	Burton, Calif.
George W.	Bennett	Burton, Utah
Andrews,	Berry	Byrne, Pa.
Glenn	Betts	Byrnes, Wis.
Andrews,	Bingham	Cabell
N. Dak.	Blatnik	Cahill
Annunzio	Boggs	Callan
Arends	Boland	Callaway
Ashbrook	Bolling	Cameron
Ashley	Bolton	Carey
Ashmore	Brademas	Carter
Aspinall	Bray	Casey

Cederberg
 Celler
 Chamberlain
 Chief
 Clancy
 Clark
 Clausen,
 Don H.
 Clawson, Del.
 Cleveland
 Clevenger
 Cohelan
 Collier
 Conable
 Conte
 Conyers
 Cooley
 Corbett
 Corman
 Craley
 Culver
 Cunningham
 Curtin
 Curtis
 Daddario
 Dague
 Daniels
 Davis, Wis.
 Dawson
 de la Garza
 Delaney
 Dent
 Denton
 Derwinski
 Devine
 Dickinson
 Diggs
 Dingell
 Dole
 Donohue
 Dorn
 Dow
 Dowdy
 Downing
 Dulski
 Duncan, Oreg.
 Duncan, Tenn.
 Dwyer
 Dyal
 Edmondson
 Edwards, Ala.
 Edwards, Calif.
 Ellsworth
 Erlenborn
 Everett
 Evins, Tenn.
 Fallon
 Farbstein
 Farnsley
 Farnum
 Fascell
 Feighan
 Findley
 Flno
 Fisher
 Flood
 Flynt
 Fogarty
 Foley
 Ford, Gerald R.
 Ford,
 William D.
 Fountain
 Fraser
 Frelinghuysen
 Friedel
 Fulton, Pa.
 Fulton, Tenn.
 Fuqua
 Gallagher
 Garmatz
 Gathings
 Gettys
 Gialmo
 Gibbons
 Gilbert
 Gilligan
 Gonzalez
 Goodell
 Grabowski
 Gray
 Green, Pa.
 Gregg
 Grider
 Griffin
 Griffiths
 Gross
 Grover
 Gubser
 Gurney
 Hagan, Ga.
 Hagen, Calif.
 Haley
 Halleck
 Halpern

Murphy, N.Y.
 Murray
 Natcher
 Nedzi
 Nelsen
 Nix
 O'Brien
 O'Hara, Ill.
 O'Hara, Mich.
 O'Konski
 Olsen, Mont.
 Olson, Minn.
 O'Neal, Ga.
 O'Neill, Mass.
 Ottinger
 Passman
 Patman
 Patten
 Pelly
 Pepper
 Perkins
 Philbin
 Pickle
 Pike
 Pirnie
 Poage
 Poff
 Powell
 Price
 Pucinski
 Purcell
 Qule
 Quillen
 Race
 Randall
 Redlin
 Reid, Ill.
 Reid, N.Y.
 Reifel
 Reinecke
 Resnick
 Reuss
 Rhodes, Ariz.
 Rhodes, Pa.
 Rivers, Alaska
 Rivers, S.C.
 Roberts
 Robison
 Rodino
 Rogers, Colo.
 Rogers, Fla.
 Rogers, Tex.
 Ronan
 Rooney, N.Y.
 Rooney, Pa.
 Roosevelt
 Rostenkowski
 Roudebush
 Roush
 Roybal
 Rumsfeld
 Satterfield
 St Germain
 St. Onge
 Saylor
 Scheuer
 Schlisler
 Schmidhauser
 Schneebell
 Schweiker
 Scott
 Secrest
 Selden
 Senner
 Shipley
 Shriver
 Sickles
 Sikes
 Sisk
 Skubitz
 Slack
 Smith, Calif.
 Smith, Iowa
 Smith, N.Y.
 Smith, Va.
 Springer
 Stafford
 Staggers
 Stalbaum
 Stanton
 Steed
 Stephens
 Stratton
 Subblefield
 Sullivan
 Sweeney
 Talcott
 Taylor
 Teague, Calif.
 Teague, Tex.
 Tenzer
 Thompson, La.
 Thompson, Tex.
 Thomson, Wis.
 Todd

Trimble
 Tuck
 Tunney
 Tupper
 Tuten
 Udall
 Ullman
 Utt
 Van Deerlin
 Vanik
 Vigorito
 Vivian
 Wagonner
 Walker, Miss.
 Walker, N. Mex.
 Willis
 Watkins
 Watson
 Watts
 Weltner
 Whalley
 White, Idaho
 White, Tex.
 Whitener
 Whitten
 Widnall
 Williams
 Willis
 Wilson, Bob
 Wolf
 Wright
 Wyatt
 Wyder
 Yates
 Young
 Younger

The Clerk read as follows:

H. RES. 436

Resolved, That ALBERT W. WATSON, of South Carolina, be and he is hereby, elected to the standing Committee of the House of Representatives on Interstate and Foreign Commerce.

The resolution was agreed to.
 A motion to reconsider was laid on the table.

NAYS—0

NOT VOTING—27

Bonner	Hawkins	Rosenthal
Bow	Hays	Ryan
Brown, Ohio	Holland	Thomas
Colmer	Karth	Thompson, N.J.
Cramer	Landrum	Toil
Davis, Ga.	Leggett	Wilson,
Evans, Colo.	Lindsay	Charles H.
Green, Oreg.	Morris	Zablocki
Hall	Pool	
Harvey, Ind.	Roncallo	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Toll with Mr. Lindsay.
 Mr. Holland with Mr. Cramer.
 Mr. Davis of Georgia with Mr. Hall.
 Mr. Thompson of New Jersey with Mr. Harvey of Indiana.
 Mr. Colmer with Mr. Brown of Ohio.
 Mr. Zablocki with Mr. Bow.
 Mr. Hays with Mr. Pool.
 Mr. Roncallo with Mr. Rosenthal.
 Mr. Morris with Mr. Thomas.
 Mr. Charles H. Wilson with Mr. Bonner.
 Mr. Evans of Colorado with Mr. Leggett.
 Mr. Landrum with Mr. Karth.
 Mr. Ryan with Mr. Hawkins.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks on the bill just passed and to include brief appropriate excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Texas?
 There was no objection.

RESIGNATION FROM COMMITTEE

The SPEAKER laid before the House the following resignation from a committee:

JUNE 23, 1965.

Hon. JOHN McCORMACK,
 Speaker of the House,
 U.S. House of Representatives.

DEAR MR. SPEAKER: It has been a privilege and honor to work with the many fine members of the House Committee on Interstate and Foreign Commerce. However, I am submitting my resignation as a member of this committee effective immediately.

My association and participation in the deliberations of this group will remain a pleasant and rewarding experience.

Sincerely,

HOWARD H. CALLAWAY.

The SPEAKER. Without objection, the resignation will be accepted.
 There was no objection.

ELECTION OF MEMBER TO STANDING COMMITTEE OF THE HOUSE OF REPRESENTATIVES

Mr. GERALD R. FORD. Mr. Speaker, I offer a resolution.

CONFERENCE REPORT ON TREASURY AND POST OFFICE DEPARTMENTS, THE EXECUTIVE OFFICE OF THE PRESIDENT, AND CERTAIN INDEPENDENT AGENCIES APPROPRIATION BILL

Mr. STEED. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight, Thursday, June 24, 1965, to file a conference report on the bill (H.R. 7060) making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1966, and for other purposes.

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

There was no objection.

SUBCOMMITTEE ON LABOR OF THE COMMITTEE ON EDUCATION AND LABOR

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent that the Subcommittee on Labor of the Committee on Education and Labor be permitted to sit during general debate tomorrow.

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

There was no objection.

HOUSE TO MEET AT 11 O'CLOCK TOMORROW

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

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

There was no objection.

BRIEFING ON VIETNAM

Mr. WOLFF. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

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

There was no objection.

Mr. WOLFF. Mr. Speaker, today I had the privilege of participating in a half-hour televised news conference with His Excellency Nguyen Phu Duc, former Ambassador of the Republic of Vietnam to the United Nations. I first met Ambassador Duc on my factfinding trip to Vietnam last June. At this time I would like to extend an invitation to all Members of Congress to meet Ambassador

Duc tomorrow, Thursday, June 24, at 3 p.m. in the Speaker's dining room, to question the Ambassador on the struggle in Vietnam.

Mr. Speaker, the struggle continues to preoccupy all thinking Americans. We are bombarded on all sides by a multitude of suggestions ranging from total and immediate withdrawal of all American forces in Vietnam to a greatly increased commitment there.

It is my belief that it is incumbent on all Members of Congress to gather information and to analyze the facts concerning this conflict. The ramifications of Vietnam are of enormous consequence, and we must seize every opportunity to glean educated observations and insight on the conflict. Ambassador Duc is scheduled to return to Vietnam in the very near future, thus this particular opportunity will not be repetitive.

Before we take unequivocal positions on U.S. policy in this troubled and war-torn land, in which ephemeral conditions persist, we must be sure of our facts. I am making a plea for each Member to further familiarize himself with the situation as it now exists. Whether one's position be in full support of the administration's policy in Vietnam or in dissent—here is an opportunity to listen and to question so that opinions may be formulated.

OUR ASTRONAUTS IN PARIS

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

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

There was no objection.

Mr. ROUSH. Mr. Speaker, the Gemini twins, McDivitt and White, saved the day for American scientific and technical prestige abroad by attending the International Air Show and Space Exhibit in Paris last week. Considering the importance of the event the American participation, except for the appearance of our astronauts, was indeed lacking in luster and imagination.

Our emphasis was on the military aspect of our endeavors and while thousands of Europeans were walking through the Soviet space exhibit viewing the Russian spacecraft, inspecting the huge Russian 750-passenger plane, and standing by in awe as the large Russian helicopter tucked a large bus under its belly and maneuvered over the airfield, our exhibit was receiving no more than passing notice. But the arrival of our Vice President and the two astronauts awakened the crowd to our presence and to the remarkable progress that the United States has made in the field of space.

I sat through their news conference where they performed with distinction and honor. Their forthrightness and good humor captured their audience. I followed along with them as they walked through the exposition grounds with the Vice President with large crowds following and expressing approval. As we walked through the Soviet exhibit the

crowd pressed so that one could barely move. These two Americans are not only heroes here at home but are heroes in the eyes of the entire world. It is wise and important the world be given the chance to see them and recognize them. In doing this we are doing more than showing off our heroes, we are winning a battle in the cold war.

ARE WE GOING TO GET THE BRITISH TO BUILD OUR SHIPS?

Mr. ROGERS of Florida. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a statement.

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

There was no objection.

Mr. ROGERS of Florida. Mr. Speaker, reports are circulating that the Defense Department may have some \$50 million worth of ships built for the U.S. Navy by shipyards in Great Britain.

American shipyards are running at approximately 55 percent capacity. The Nation has been told that greater efforts are needed to fight poverty, yet to allow the British to build ships for America would make a pocket of poverty out of every American shipyard.

Why should this Government help the British shipping industry? They have done little to help America's efforts to curb free world shipping to Communist countries.

Just last month two British ships, the *Antarctica* and the *Hemisphere*, made cargo hauls for the Communists from Cuba to North Vietnam. Since January British-flag ships have made a total of 38 calls in Vietcong ports despite pleas by this Government for a halt to this traffic.

And since January a total of 157 American soldiers have been killed in action by Communist Vietcong guerrillas.

I urge that U.S. naval vessels be built by American shipbuilders, and as a member of the House Merchant Marine and Fisheries Committee, call upon the Congress to see that this action is taken to help rebuild the American shipping industry.

In further discussion of this matter I include a statement by Mr. Edwin M. Hood, president of the Shipbuilders Council of America, at this point in the RECORD:

STATEMENT BY EDWIN M. HOOD, PRESIDENT, SHIPBUILDERS COUNCIL OF AMERICA, JUNE 18, 1965

The announcement that the Department of Defense may order U.S. Navy vessels from British shipyards is startling to say the least. It would seem to show a complete lack of awareness of the plight of both private and naval shipyards in this country.

It coincides with the announcement that the House Appropriations Committee has approved the fiscal 1966 Defense appropriations bill which prohibits the expenditure of any funds with foreign shipyards. This action has been taken in 2 successive years to buttress the U.S. shipyard industry. During the past 10 years, 18 privately owned shipyards have been forced to close their doors permanently because of the lack of sufficient work. And it will be recalled that Secretary of Defense McNamara only recently an-

nounced his intention to close the Brooklyn Navy Yard in June 1966 and the Portsmouth, N.H., Naval Shipyard at a later date. Although the planned closing of these Government shipyards has been attributed to the high cost of their operations, it was indicated that another contributing factor was the finding that there is an excess of shipyard capacity in this country in relation to the amount of naval shipbuilding work which would be generated in the years ahead.

No doubt if the Congress permitted the diversion of these contracts to foreign shipyards, it would be found that additional excess capacity, created by the transfer of work abroad, would have to be corrected by additional contraction of either the private or naval shipyards or both. And more skilled shipyard workers would face unemployment. In other words, this proposal would increase shipbuilding employment in Great Britain at the expense of the displaced American shipyard workers.

I note that one news account of this development explained that the "build in Great Britain" proposal was "aimed at keeping defense industries in major allied countries in a condition of readiness for expansion in an emergency."

One might ask the question of whether or not the United States should give first priority to maintaining the readiness of its own shipyard facilities. For an authoritative answer, one need only to heed the pleading of the Chief of Naval Operations. Adm. David L. McDonald, in late 1964, told a gathering of naval architects and marine engineers in New York City that the U.S. Government and the American people "must become vitally concerned with preserving and maintaining our repository of trained manpower resources found in our shipyard facilities." But that repository and those facilities cannot be maintained, nor preserved, if we begin a foot-in-the-door arrangement which can only lead to the demise of shipbuilding in the United States and to the ruination of many activities which support our shipyards.

This same news account reported that some who are favoring the proposal believe that British yards could produce better as well as lower cost ships for the U.S. Navy. While the far lower wage scales paid to British shipyard workers might result in some cost savings, I assure you that the British yards are incapable of building better ships than those produced in this country. British yards have no experience whatsoever with the precise standards of quality control and assurance reliability which U.S. private shipyards are required to maintain in the execution of contracts for the U.S. Navy. They have no exposure whatsoever to the rigid requirements for contract performance and administration, all of which add to the cost of building ships in this country or in any other country.

The best way to gage the capabilities and know-how of a shipyard industry is to examine the vessels it has produced. The American yards have not only produced the most advanced naval vessels—both combatant and auxiliary types—ever designed, but have far more experience in dealing with the very complex and sophisticated electronic and weaponry systems which these modern vessels require.

Finally, there would appear to be some serious reservations about the desirability of having U.S. naval vessels under construction in shipyards which may be building a Russian vessel on an adjacent shipway. It must be presumed that whereas the initial plan may only call for the construction of so-called auxiliary or noncombatant ships abroad, the same faulty reasoning eventually would find it equally justifiable to have our top-secret combatant ships built in foreign shipyards.

Although I am shocked and dismayed that this build-abroad proposal should be advanced under the auspices of the Department of Defense, I am equally confident that the Congress of the United States will arrive at a far more realistic and wiser judgment and expose the shortcomings and great deficiencies which are so evident in the build-abroad trail balloon.

DISCUSSION OF FARM LABOR PROBLEMS

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

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

There was no objection.

Mr. COHELAN. Mr. Speaker, I have requested a special order of 1 hour at the close of business tomorrow to discuss developments during the first 5 months of this year in regard to farm labor.

The facts, fortunately, are somewhat different from what some sources would have us believe, and I encourage all Members who are concerned with this subject to be present, to listen and to participate.

SALE OF FOODSTUFFS TO THE UNITED ARAB REPUBLIC

Mr. FARBSTEIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. FARBSTEIN. Mr. Speaker, I most strongly disagree with President Johnson's decision to fulfill the balance of the 3-year agreement to sell foodstuffs to the United Arab Republic, and to accept in exchange soft and worthless currency.

I do not desire to see the needy Egyptian *Pelaheen* go hungry, but I do not believe he would go hungry if President Nasser refrained from trading to the Soviet Union food meant for poverty-stricken peasants in exchange for guns and tanks. He would not go hungry if rice grown in Egypt were not sold to the Communist Chinese and Cuba.

If the United States is to maintain the respect of other nations, we must somehow chop Mr. Nasser down to size. Too long have we smilingly submitted to his wishes while he repeatedly and arrogantly spat in our faces.

Let us cut Mr. Nasser from our umbilical cord. Let us finally withdraw our support from him, limiting his power so that he will have to halt his subversive activities in other Middle Eastern nations.

Let us recall why we suspended the delivery of foodstuffs to the United Arab Republic in the first place. There was the burning of a USIA library, the delivery of arms to both the Congo and Cyprus, the Egyptian attempt at hegemony in Yemen. And now we are faced with this most recent action—Egyptian sale of badly needed rice to Communist

China and Cuba. I believe we had ample reason to maintain the suspension on the sale of foodstuffs.

Perhaps the amendment to the foreign aid bill I offered in committee and which was adopted will be of value to us in our foreign policy. It restricts to 1 year all future agreements to sell foodstuffs for soft currency. If it is accepted by the Senate, we will be able to more readily control Mr. Nasser's actions.

SALE OF FOODSTUFFS TO UNITED ARAB REPUBLIC

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

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

There was no objection.

Mr. FINO. Mr. Speaker, the decision reached by President Johnson to send the United Arab Republic the remaining undelivered \$37 million worth of surplus farm products is most regrettable.

It is difficult to understand the President's thinking in view of the fact that Egypt had sold 40 percent of its rice crop to Communist China and Cuba. It is also hard to understand the logic behind this decision in view of the fact that the Egyptian people have been asked by Nasser to tighten their belts so that 50,000 Egyptian soldiers can be maintained in Yemen at a cost of \$100 million a year.

We have so far under a 3-year contract sent the United Arab Republic \$395 million worth of surplus foods. It was hoped that this would improve our relations with the United Arab Republic but it did not. Nasser's insolence continued. He has encouraged every kind of indignity aimed at the United States. He has courted Red Russia. He has told us to "jump in the lake" with our aid.

The sale of the 40-percent of its rice crop to Communist China and Cuba shows little concern for its own people who need food so why should we be so concerned?

I am very disturbed that the President under the mistaken guise of "in the national interest" has seen fit to end the suspension on food aid to Egypt and decided to ship surplus food to this country.

MORE BAD NEWS FOR FEDERAL WORKERS

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

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

There was no objection.

Mr. NELSEN. Mr. Speaker, Reporter Jerry Kluttz in the June 7 issue of the *Washington Post* discloses that Civil Service Commission officials "are divided over a suggestion that employees in grades 16, 17, and 18 that pay up to \$24,500 be exempt from the Hatch 'no politics' Act."

Mr. Kluttz comments:

It's a safe bet that CSC won't initiate action on the proposal but will await the results of a full study of the act by a group of distinguished citizens.

Mr. Speaker, it is disturbing to think that the very agency established to protect the civil service system of the United States may have among its membership those who wish to use it to destroy these protections so carefully written into Federal law.

To me, it is like having some of the best policemen on the beat suddenly announce that a little robbery is to be permitted.

Perhaps this attitude to relax existing law explains the Commission's reluctance to move actively to resolve cases involving possible violations of that law.

As a practical matter, this proposed change would affect more than 2,500 Government officials serving in key policymaking posts. It would remove essential safeguards presently restricting their political activity. It would encourage these officials to utilize their Government positions to exploit partisan, political aims at the expense of the taxpayer.

There is little doubt in my mind that the end result would be even more serious, more concerted efforts to coerce subordinate Federal workers for campaign funds, for more political favors, putting millions of Federal employees more directly under the thumb of the politicians.

Mr. Speaker, there is too much of this going on right now. I have repeatedly brought to the attention of this body the efforts I have made to obtain corrective action on charges of illegal political arm-twisting in the Rural Electrification Administration. I have repeatedly informed this body of the renewed shake-downs reportedly sought among Federal workers for \$100 tickets to a Democrat dinner later this week.

If this proposal is accepted how long will it be until others try to exempt lesser GS grades from provisions of the Hatch Act? And then how long will it be before the Civil Service system no longer operates on merit, but upon the whims and personal favor of the politicians who crack the whip?

VIETNAM

Mr. CALLAWAY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. CALLAWAY. Mr. Speaker, in previous speeches I have clearly stated my support of our firm action in Vietnam. I went to Vietnam, I saw our policy in action, and I reported to this body that it was working well.

Yet today I am concerned that by limiting our air strikes to secondary targets and bypassing prime military targets in North Vietnam, we are taking dangerous risks. By prime military targets I refer specifically to, first, Russian IL-28 jet bombers located near Hanoi; second, Soviet manned surface-to-air

missiles; and third, large munitions buildup in North Vietnamese ports.

Let us look at these targets. The Russian jets are capable of bombing our carriers and our extremely vulnerable overcrowded airfields; the missiles are capable of shooting down our aircraft over North Vietnam; and the munitions are capable of supplying a greatly stepped up war against South Vietnam.

Surely the planes, the missiles and the munitions were sent in for a purpose. It seems to me that it is naive of us to hope that they will not be used. And if they are used, if the planes bomb our bases, if the missiles shoot down our planes, and if the munitions support a stepped-up attack, the war has been dangerously escalated. We have the capability today to destroy each of these targets, and I hope that the administration will now take another look at the dangers of allowing the targets to remain.

THE STATE DEPARTMENT EVALUATES THE "TEACH-IN" AND OTHER "IN" PROTESTS

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

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

There was no objection.

Mr. MIZE. Mr. Speaker, recently I received a letter from John Evarts Horner, Director of the Office of Public Services at the U.S. State Department, notifying me that he had participated in a discussion on our policy in Vietnam at Kansas State University, Manhattan, Kans.

Because I am more than somewhat concerned about the attitude of many college students and their instructors with respect to our foreign policy, I asked Mr. Horner to evaluate the attitude of the Kansas State students. I wanted to know if the students on the campus at Kansas State took the same position as other college students across the country or whether they stood apart, in his estimation, with a little more reasonable approach to this critical situation. I do not mind saying that the intensity of the demonstrations by college students—the "teach-ins"—and the other signs of revolt, cause me to wonder about these young people.

Although Mr. Horner responded specifically about the prevailing attitude on the campus at Kansas State University—and I must state that his experience there was "not discouraging"—he took occasion in his letter to sum up his impression of the current campus revolt and its manifestations.

It seems to me that his evaluation, which also reflects what his colleagues have observed in similar circumstances, provides a penetrating insight into some of the reasons why these students and teachers are reacting as they are. The picture is not entirely black, nor is it entirely bright. There is cause for concern and I feel that if more Members can share Mr. Horner's evaluation, we can explore ways and means of reaching

these students through meaningful discussions so that there can be a better understanding and a better appreciation of the critical problems we face in these fast-moving days.

Under leave to extend my remarks, I ask that Mr. Horner's letter appear at this point in the RECORD. The letter follows:

DEPARTMENT OF STATE,
Washington, June 16, 1965.

HON. CHESTER L. MIZE,
House of Representatives.

DEAR CONGRESSMAN MIZE: Thank you for your kind letter of June 2, 1965, in which you have requested my appraisal of the teach-ins on Vietnam. Having received similar requests from other Members of the Congress, I have made an effort to generalize on my experiences, and those of several of my own colleagues, in order to provide a meaningful evaluation. Let me say that the situation I found at Kansas State was not at all discouraging. The program was scrupulously run by a graduate student of English. There were differences of viewpoint aired during the question period, but I had the strong sense that a majority of the student body realized the necessity for President Johnson's policy in Vietnam, and rejected the spurious alternative of a precipitous withdrawal.

It is somewhat difficult to arrive at a synthesis of campus opinion on the Vietnam situation for several related reasons. Those of us who have engaged in teach-ins generally have not remained on the campuses long enough to sort out student opinion and reactions from what is sometimes only a fraction of such opinion which has turned out to protest. Again, campuses differ markedly. On some, there have been previous histories of turbulence, not necessarily related to Vietnam as a specific issue. On other campuses, there seems to have been little previous interest in Vietnam, and a tendency to adopt the teach-ins as something which is "in." I myself have only spoken at seven campus teach-ins, but I have discussed my impressions with several colleagues with comparable experience. I would sum up our views as follows:

(a) The protest group appears to be a relatively small minority.

(b) The protestors usually have little positive to offer as an alternative to current policy toward Vietnam.

(c) The protestors are apparently divided into organized leftists (notable for their apparent ability to produce copious literature), pacifists, supporters of Moral Rearmament, and self-styled liberals.

(d) It seems an article of faith for some liberals to hold that there is an inherent conflict between liberalism and anticommunism. Characteristically, they deprecate past aggressive moves by the Soviet Union and tend to assert that Communist China should be permitted to expand into its natural sphere of influence in southeast Asia.

(e) Professors and graduate students, often from disciplines (e.g., the physical sciences) which provide little basis for evaluating international developments, tend to be dogmatic ringleaders in the protest movement. I have often found an amazing lack of adherence to the scientific method; they will reject, for example, U.S. Government figures on Communist infiltrations into South Vietnam as absurd, and will base their claims that this is nothing but an indigenous upheaval on random newspaper and other sources. Several professors I encountered seemed to cling to the conspiratorial view of history, claiming the existence of key persons in the State and Defense Departments itching to lead us into nuclear war. None was willing to come up with a name.

(f) There were occasional instances of student insolence and unmannerly behavior. This was not, however, characteristic of most campuses. On the whole, students seemed interested in the issues. On those campuses where we were invited to speak before political science classes, we found the experience rewarding, and the students better equipped to discuss foreign policy issues on an adult plane. I myself feel there has been somewhat of a student "backlash" to the excesses of criticism of American Vietnam policy; this has expressed itself in efforts by Young Democrats-Young Republicans on several campuses to unite in support of our policy.

I would say that, on balance, the Department acted wisely in fielding speakers. Given the emotionalism present, and the pressures of time, we endeavored to send speakers to key campuses where we felt an effort was being made to see the problem in a fair way, with reasonably equal time for both views (this manifestly was not the case at UCLA, which was little more than a circus). Altogether, we fulfilled over 100 separate engagements on Vietnam in a span of 3 weeks; we had to decline about 88. This was a dual burden in that in all cases, of course, our speakers had full workloads they had to leave behind, since we do not dispose of a speakers bureau.

It may be that what we have been witnessing is a renewed interest on the part of young Americans of school age in foreign policy. (Eric Hoffer in Harper's notes: "The juvenile, then, is the archetypal man in transition".) Well before the current teach-ins, I made three lengthy speaking tours with a group of colleagues in our community meetings series. These, taken at the request of local organizations, were centered to a great degree on high schools, where we spoke to thousands of young people. I personally was enormously impressed with their interest and knowledge, which far exceeded that of my own generation (the 1930's). Our public information program, as you know, is small, and entirely responsive. We cannot, and in my judgment, should not, seek audiences. But I do think we can be helpful when we go out into the country at the request of organizations to carry on a dialog on issues which concern all of us. Our success, I should think, will be the measure to which we can be utterly honest in talking with America's youth. Perhaps what we need to do most is to place foreign policy in its proper perspective, and to admit that mistakes can be made by governments as well as by individuals (what businessman could say that he has never made a mistake of judgment?).

In the final analysis, the only real test of foreign policy is in action, and we cannot—as can the pure scientists—operate through the test tube. It might be true—as some of our critics assert (these are often the same ones who allege that our references to the experiences of the 1930's with appeasement are false, especially as applied to Asia) that a united Vietnam under Ho Chi-minh would be "Titoist" and possibly independent of Communist China. It might be true that in the Dominican Republic the Communist effort to take over in the period late April to early May could have been frustrated by other Dominicans without U.S. intervention. These are imponderables, and will be debated by academicians in the coming years. Here may reside the difference in the role of the responsible policymaker and the critics; the gulf between an overly simplistic world outlook and one based, in the words of Charles Burton Marshall, upon this thesis: "Making foreign policy is not like cheerleading. It is like quarterbacking. The real work comes not in deciding where you want to go—that is the easiest part of it—but in figuring out how to get there. One could no more de-

scribe a nation's foreign policy in terms solely of objectives than one could write a man's biography in terms of his New Year's resolutions."

I think you will see that what I have been giving you is a personal and perhaps an impressionistic view of these teach-ins, my reaction to them, and what seem to be new trends on American campuses. I am not, therefore, writing as an "official" spokesman for the Department in the sense that I reflect a consensus of departmental attitudes, but, by the same token, I cannot divorce myself—nor would I wish to do so—from my responsibilities as a Foreign Service officer and an official in the Bureau of Public Affairs. Both officially and personally, I adhere to the view that we must welcome informed public discussion of the issues of foreign policy, for it is the openness which distinguishes our society from our Communist adversaries. At the same time, democracy connotes responsibility, and I would hope that, as time goes on, Americans critical of our foreign policies would take greater pains to inform themselves of the facts, the consequences, and the complexities of these policies and their alternatives.

Sincerely yours,

JOHN EVARTS HORNER,

Director, Office of Public Services.

SOLICITATION FOR CONTRIBUTIONS TO 1965 DEMOCRATIC CONGRESSIONAL DINNER

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

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

There was no objection.

Mr. MATHIAS. Mr. Speaker, a visit was paid to my office yesterday by a grade GS-14 employee of the Department of Commerce. He was greatly disturbed. He has received three letters and one very persistent telephone call from officials of the Democratic National Committee soliciting a \$100 contribution to the 1965 Democratic congressional dinner. In the absence of any other logical source of information, his name must have been obtained either from the Civil Service Commission or from the rolls of the Department of Commerce. Whatever is the case, he considered this solicitation a politically inspired infringement on his career service.

This morning, another incident came to my attention. There was a meeting yesterday to which some grade GS-13 and GS-14 employees were called—on Government time—to suggest that it would be appropriate if each of them made their \$100 contributions. These civil servants also had each received three letters from the Democratic National Committee and all had failed to respond to them. I understand from one of the persons attending this meeting that there was an implication that this contribution, or lack of it, might affect future promotion possibilities.

A principle is in jeopardy—a principle deeply rooted in American political tradition since President Chester A. Arthur established the civil service. I shall do all in my power as a Member of this House to uphold the nonpartisan character of the civil service. I offer my

services as a citizen and a lawyer to any civil servant who suffers because he fails to pay tribute to any political party.

HORTON QUESTIONS U.S. FOOD SHIPMENTS TO EGYPT

Mr. HUTCHINSON. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. HORTON] may extend his remarks at this point in the Record and include extraneous matter.

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

There was no objection.

Mr. HORTON. Mr. Speaker, the administration has announced an end to its 6-month suspension of shipping surplus agricultural commodities to the United Arab Republic. Tied to this announcement is the disclosure by our Government that Egypt will receive \$37 million worth of surplus U.S. food.

I seriously question this decision to resume the provision of these items to the Nasser government. Frankly, I remain unconvinced that any amelioration or alleviation of the Cairo-inspired disputes that divide the Near East has occurred to warrant our action.

The United Arab Republic arms buildup still remains a menace and threat to peace in this area of the world. Our great democratic friend and ally, Israel, constantly is taunted by the increasing military machinery of Nasser.

And, the products of American agriculture which our Nation generously supplies to the United Arab Republic become tools for the belligerence of the Nasser regime. Abundant evidence already is available to demonstrate the use to which our products are put.

As in the case with any other government, the United Arab Republic requires the production of certain staple items in order to continue its economic well-being. Therefore, a certain portion of its national activity must be devoted to the food needs of its people. Only after these basic needs are met can resources be turned to the elements of hostility.

This is what has happened in Egypt. Because of U.S. agricultural supplies, Nasser has been able to expand significantly United Arab Republic cotton and rice crops for export purposes. These harvests are sold to the Soviet Union, Communist China, Cuba, and elsewhere for arms—the weapons of war Nasser wants and needs in order to strengthen his offensive posture.

That the United States should be in the position of nurturing this ambition by a notorious world troublemaker, in my opinion, is contrary to our fundamental belief in preserving peace and protecting those who share our ideals. This aid to Egypt is an affront to Israel for it can only weaken the ability of the Israeli Government to withstand Nasser's cunning.

I think we would do better to attach to our Egyptian assistance some reasonable requirements that would help to foster friendship, not foment, among the countries of the Near East. Our role in this strife-ridden situation could be much more purposeful if we were to condition

Nasser's eligibility on standards that would prevent any further arms buildup, that would insure against any inimical water diversion plans, and that would help to reduce the aggression in Yemen.

CEREAL LEAF BEETLE MENACES OHIO'S GRAIN PRODUCING AREAS

Mr. HUTCHINSON. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. ASHBROOK] may extend his remarks at this point in the Record and include extraneous matter.

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

There was no objection.

Mr. ASHBROOK. Mr. Speaker, one of the areas of vital concern in which the Government can be an effective partner to the American farmer is the matter of insect control. Both the Ohio and the U.S. Departments of Agriculture have long been a competent force in combating the many enemies of the farmer's crops and livestock. The Agricultural Experiment Station at Wooster, Ohio, has been one of the outstanding agencies in the Nation in working as the farmer's silent partner. Indeed, not just the farmer but the housewife and consumer, too.

One of the immediate problems in the area which I am privileged to represent is the cereal leaf beetle which is menacing Ohio's grain-producing areas. John M. Stackhouse, director of the Ohio Department of Agriculture has announced the detection of this insect in northwestern Ohio and has called upon all agencies and farmers to help in combating this insect. The entire counties of Erie, Huron, Richland, Morrow, Delaware, Franklin, Pickaway, Fayette, Madison, Clark, Miami, Darke, Preble and all counties to the west and north of those named are in the regulated area.

In addition, certain townships of the following counties are also included in the regulated area: Wayne County, townships of Plain and Clinton; Ashland County, townships of Mifflin, Vermillion, Mohican, Green, Lake, and Hanover; Knox County, townships of Middleburg and Berlin; Licking County, townships of Lima, Harrison, and Etna.

The U.S. Department of Agriculture has produced a very compact and comprehensive bulletin on the cereal leaf beetle which may be obtained from any Member of Congress.

In many parts of the world, damage caused by the cereal leaf beetle has been of considerable economic importance. In parts of the U.S.S.R., for example, losses have ranged from 25 to 50 percent of the crop. Attacks have been so severe in certain areas of Rumania that the crop has had to be plowed under.

In the United States, severe local damage occurred in the summer of 1962 in fields of oats, wheat, and barley. Some farmers had to abandon or plow under their crops because of the heavy damage. This is an indication of the destructive potential of the beetle should it spread to heavy grain-producing areas of the United States.

An excellent article concerning this threat appeared in the October 1964 issue of *Agricultural Chemicals*. It was written by Joseph F. Spears, Chief Staff Officer, Plant Pest Control Division of the U.S. Department of Agriculture. It is a good example of the hard working partner the farmer has in these fine public servants who give unstintingly of their time and devotion to duty. We hear so much about the bureaucrats who administer unworkable agricultural programs that it is refreshing to see the effective out-of-the-limelight efforts of these career people who are working to make American agriculture even more successful in supplying the food and fiber needs of 190 million people.

The article follows:

A NEW PEST: CEREAL LEAF BEETLE MENACES AMERICA'S GRAIN-PRODUCING AREAS

(By Joseph F. Spears, chief staff officer, Plant Pest Control Division, Agricultural Research Service, U.S. Department of Agriculture)

The cereal leaf beetle (*Oulema melanopa*) is the latest insect pest of major importance to be introduced in the United States. It has been on the unwanted list for several years, and entomologists and pest control officials have been on the watch for it. Its occurrence in the United States is its first reported appearance in the Western Hemisphere.

The cereal leaf beetle probably had been in the United States several years before it was first identified in Berrien County, Mich., in July 1962. The insect is now known to occur throughout southern Michigan, northern Indiana, and northwestern Ohio.

When and how this serious pest of cereal crops gained entry into the United States is not known. However, it has been intercepted a number of times by plant quarantine inspectors at ports of entry, including an interception in 1960 at Muskegon, Mich., on plants in the trunk of a passenger car arriving by ship from Europe. The first recorded interception was at Baltimore, Md., in 1936.

The cereal leaf beetle occurs throughout most of Europe and extends into Siberia in the U.S.S.R. It also has been reported in Morocco and Tunisia in North Africa, and Iran and Turkey in the Near East.

Recently, a bin of barley stored since 1959 on a Berrien County, Mich., farm was found to contain dead cereal leaf beetles. Many farmers in this area believe that they observed the beetle in 1959, but could not remember its presence prior to that time. Some of its damage was noticed in 1961, and severe local damage occurred in the summer of 1962 in fields of oats, wheat, and barley in the infested area. Some farmers abandoned or plowed under their crops because of the heavy damage caused by this important pest. These significant losses in the relatively small area give a clear indication of the destructive potential of the beetle should it spread to the heavy grain-producing areas of the country.

The cereal leaf beetle apparently is adaptable to a wide range of climatic conditions. This emphasizes the need for (1) a program to determine the extent of spread, (2) regulatory and control measures to prevent spread from known infested areas, and (3) a research program to learn how to deal effectively with the pest.

DAMAGE

Both adults and larvae of the cereal leaf beetle damage grain crops. They take their nourishment from grain shoots or from grasses by chewing out long strips between the leaf veins. In a heavy infestation, this

damage causes the plants to appear yellowish white.

In other parts of the world, the damage caused by this pest has been of considerable economic importance. In parts of the U.S.S.R., for example, losses from infestations have ranged from 25 to 50 percent of the crop. In certain areas of Rumania, attacks have been so severe that the crop had to be plowed under.

DESCRIPTION

The life cycle of the cereal leaf beetle has four stages—egg, larva, pupa, and adult. Adults usually overwinter in clusters in the bark of trees, in corn stalks, and under field trash. The adults appear in spring, when the temperature reaches 60 degrees, and feed on quack grass, orchard grass, and nearby cereals, if present. The females lay eggs on the upper surfaces of plant leaves. The larvae hatch from the eggs in about 5 days and soon begin feeding on the young, tender leaves of host plants. The larvae cause the most severe damage.

The adult cereal leaf beetle is about one-quarter inch long; the male is slightly smaller and narrower than the female. Wing covers and head are a metallic, bluish black. The legs and the front segment of the thorax are red. Adult cereal leaf beetles are strong flyers and have been collected at heights of 1,000 feet above ground in special nets attached to one of the Plant Pest Control Division's aircraft.

The eggs are cylindrical, rounded, and less than one-sixteenth inch long. Newly laid eggs are yellowish, but the color darkens to almost black before they hatch.

The larva is slightly longer than the adult, and resembles the Colorado potato beetle larva in shape. The head and legs are brown-black; the body is yellowish. The larva is usually covered by a globule of fecal matter that obscures its coloration except for the head and legs.

The pupa, when removed from its earthen cell, is enveloped in a thin, transparent membrane. Its coloration varies from a bright yellow when it is first formed, to the coloration of the adult just before emergence.

In North America, several species of leaf beetles closely resemble the cereal leaf beetle; the asparagus beetle is one example of a similar species. However, the cereal leaf beetle differs from these other species in that it feeds only on cereals and related grasses. Also, the combination of color patterns of the adult cereal leaf beetle, described here is not present in other similar species.

QUARANTINE

The regulatory officials of Indiana, Michigan, and Ohio, working in cooperation with their counterparts in the Plant Pest Control Division, have developed a uniform State quarantine designed to stop artificial spread of this serious pest. It was determined very soon after the cereal leaf beetle was found in the United States that the small grains, uncleaned grass and forage crop seed, hay, straw, fodder, and plant litter, as well as used harvesting equipment, could very easily spread the beetle to all parts of the Nation. These articles, plus any others that might present a hazard of spread, were placed under quarantine regulation by the three States involved.

Procedures were jointly worked out by the States and division personnel to allow the orderly movement of these regulated articles after the quarantines went into effect. Some of the more commonly used certification procedures are: The use of malathion applied to the small grains, shelled corn, and uncleaned grass and forage seed; the use of a CO₂ propelled micronized malathion or carbaryl (Sevin) dust to eliminate the pest from empty railroad cars and trucks; the fumigation with methyl bromide of various commodities; and approval of

small grain movement after a minimum storage period of 3 months.

While it may be too early to determine the effects of this uniform quarantine, it appears that it has been very effective in preventing long-distance spread, since the known infestation to date seems to be the result of natural movement by the beetle.

CONTROL

To help prevent spread, suppress populations, and reduce damage caused by this insect in heavily infested areas of Indiana, Michigan, and Ohio, a cooperative control program was begun in the spring of 1963. Two insecticides were found to give satisfactory control against the beetles. Sevin and malathion at the rate of 1 pound per acre were found to be highly effective in reducing beetle populations.

In the spring of 1963, fixed-wing aircraft and helicopters were used in Indiana and Michigan to treat 36,000 acres of wheat, oats, and barley with malathion. In July of that year, 12,000 acres of corn in Michigan were treated with Sevin following the summer grain harvest when cereal leaf beetles moved into the corn crop. In 1964, the acreage requiring treatment was considerably greater than in 1963; 115,380 acres were treated, some of which required two applications, bringing the aggregate total to 170,610 acres. Following is a tabulation by States of acres treated during the 1964 control season.

State	Actual acres treated	Aggregate acres treated
Indiana.....	11,060	19,560
Michigan.....	93,820	137,550
Ohio.....	10,500	13,500
Total.....	115,380	170,610

A new low-volume aerial spray technique utilizing undiluted technical malathion was used with outstanding results in the 1964 control operations. Initial dosage was 8 ounces per acre, which later was reduced to 5.3 ounces with no loss in effectiveness. In heavily infested areas in the control program, beetle populations dropped from 800 per hundred sweeps to none per hundred sweeps after application of the insecticide.

The program of 1964 was conducted at considerably less cost than that of 1963. The 1963 per-acre application cost was approximately \$3. With the new low-volume technique employed in 1964, aerial application costs went as low as 20 cents per acre, and results were far superior to those obtained the previous year.

MONITORING

Monitoring the side effects of the insecticide treatment program is an important part of the overall control program. The monitoring program is under the general direction of the Plant Pest Control Division. Michigan State University and Michigan Department of Conservation are under contract to conduct studies in the treated area on the effects of malathion and Sevin on non-target organisms. Indiana State agencies also make checks in that State.

RESEARCH

Following the discovery of the cereal leaf beetle in 1962, research work was initiated by the Agricultural Research Service, Michigan State University, and Purdue University. Ohio State University also established a research program on some aspects of the problem. Investigations center on the biology of the insect, the effectiveness of chemicals, the occurrence of parasites and predators that might hold beetle populations in check, sources of resistance in varieties of wheat, oats, barley, and rye, and survey methods. The Plant Pest Control Division established a Methods Improvement Laboratory in Niles,

Mich., to work on the tristate area problem. There is some indication that the cereal leaf beetle may behave differently under Corn Belt conditions than in Europe. Parasites of the cereal leaf beetle occur in several places in Europe and may be responsible for holding the insect in check.

Entomologists at Purdue University are working in cooperation with the Entomology Research Division's Plant Parasites Introduction Laboratory in Paris. These scientists already have discovered two parasites that may be important in controlling the cereal leaf beetle in the United States. A parasitic chalcid wasp has been collected in Italy, and specimens have been released in a 5-acre oat field in St. Joseph County in Indiana. Additional shipments of these parasites will be made as specimens are collected. The wasps, whose developing eggs kill the host cereal leaf beetle, have proven 60- to 70-percent effective in controlling the pest in Italy.

The cooperative Federal-State program is aimed at overcoming this new pest by application of insecticides and by regulating the movement of contaminated articles to keep it from spreading to other States. The cereal leaf beetle must be stopped before it gains a strong foothold. If left unchecked, it could threaten the entire "breadbasket" of the United States and Canada.

FEDERAL TRADE COMMISSION LOOKING INTO TEXTILE INDUSTRY

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

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

There was no objection.

Mr. FINDLEY. Mr. Speaker, I have received a letter from Mr. Paul Rand Dixon, Chairman of the Federal Trade Commission, indicating that the Commission is presently engaged in an effort to "evaluate the competitive significance" of developments in the textile industry.

I had asked the Commission to examine the possibility of price fixing in restraint of trade and present herewith the full text of my initial inquiry and Mr. Dixon's reply.

Text of my letter to the Commission:
MAY 25, 1965.

DEAR CHAIRMAN DIXON: The trend of cloth prices and cotton mill margins since the enactment of the one-price cotton legislation of last year is so peculiar that I strongly urge that you make an investigation to determine whether the prices of cotton textiles are being fixed in restraint of trade.

The statistics enclosed herewith, provided by the U.S. Department of Agriculture, show a steady upward trend in cloth prices despite the drop in cost of raw cotton made possible by last year's legislation. You will note that mill margins jumped sharply when the lower cost cotton became available. There is no indication that consumers have benefited from this legislation, despite official assurances Congress received last year that it would save them more than \$700 million.

Clearly, cloth prices have not responded to substantially lower raw-material costs. This of course does not necessarily mean that a conspiracy to fix prices exists, but it is highly unusual in a supposedly competitive industry. Consequently, it seems to me that

a thorough inquiry would be in the public interest.

I enclose herewith:

1. A table showing cloth and raw cotton prices and mill margins by months beginning with 1962, together with a chart reflecting these same statistics.

2. A copy of a letter dated January 31, 1964 from the Secretary of Commerce to the chairman of the Senate Committee, on Agriculture and Forestry giving assurances to the Congress that the proposed cotton legislation would save consumers more than \$700 million.

This has special interest for me because I am a member of the Cotton Subcommittee of the House Agriculture Committee. We will soon be considering a revision of the present legislation.

Sincerely yours,

PAUL FINDLEY,
Representative in Congress.

Mr. Dixon's reply follows:

FEDERAL TRADE COMMISSION,
Washington, D.C., June 9, 1965.

HON. PAUL FINDLEY,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN FINDLEY: This is in further reference to your letter of May 25, 1965, in which you raise questions as to the causal factors underlying recent developments in cotton cloth price and mill margins. For some months now, developments in the textile industry, particularly movements toward higher levels of concentration, have been a matter of concern to the Commission. The textile industry is one which has witnessed a high rate of merger activity, and we are presently engaged in an effort to evaluate the competitive significance of these developments.

We can appreciate your concern about any possible price fixing in cotton textile. Although we have not undertaken any specific investigation relating to collusive pricing in this industry, our present study has encompassed various industry activities, including marketing and pricing practices. In the course of this study, it has been noted that other factors have been acting on the industry which may equally well explain present mill margins. Demand for cotton goods has risen steadily in recent years and as a result, excess capacity in the industry has diminished. Currently, buyers are committing orders 12 months in advance, whereas prior to the present market condition delivery commitments were made from quarter to quarter. As long as strong demand is sustained, it is not surprising that manufacturers have found it unnecessary to pass along to consumers the savings derived from the "one price" cotton legislation, since they find they can sell all of their output without doing so.

The consequence of these developments has been to substantially improve the profit position of the industry. In the last quarter of 1963, profits after taxes on stockholder's equity equaled 7 percent as compared to 10.6 percent in the last quarter of 1964. Although this represents a substantial increase, it should be noted that profits in cotton manufacture are still somewhat below the average for manufacturing as a whole, which in the last quarter of 1964 equaled 12.4 percent.

The Commission of course is concerned that pricing in cotton textiles be maintained at competitive levels. You may be assured that in the following months, we will continue to review the marketing activities of the industry for any possible violations of the statutes administered by the Commission.

We appreciate your interest in this matter. With best wishes, I am,

Sincerely,

PAUL RAND DIXON,
Chairman.

L.B.J.'S FIRST DEFEAT?

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

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

There was no objection.

Mr. HARVEY of Michigan. Mr. Speaker, next week the House will consider H.R. 7984, the Housing and Urban Development Act of 1965. This is one of the largest authorizations for any single domestic program that will come before the 89th Congress. Section 101 of title I, authorizing rent supplements to be paid various groups of persons, will in itself, according to the Housing and Home Finance Agency, cost \$4.7 billion. We in the minority believe that simple mathematics, multiplying the \$200 million annual authorization by 40 years, the life of the contract, indicates a cost of at least \$8 billion, to be much more realistic for these rent supplements. As we have expressed in minority views, we do not believe this is the way to go about providing housing for these groups. So that Members will have the benefit of the most recent discussion of the merits of this proposal, I include with my remarks the column entitled "Inside Report" by Rowland Evans and Robert Novak, appearing in today's—June 23—Washington Post:

INSIDE REPORT: L.B.J.'s FIRST DEFEAT?

(By Rowland Evans and Robert Novak)

A daring new scheme first concocted last fall to breathe new life into the nearly dormant public housing program may well prove to be President Johnson's first out-and-out defeat in Congress.

The truth is that the hotly debated plan for rent subsidies for low and moderate income families may be crushed under an avalanche of bipartisan opposition in the House.

The reasons are many and paradoxical. Up to now, Mr. Johnson has shown less than all-out interest in saving the subsidy scheme. Liberal Congressmen of both parties, who usually salivate over any new social welfare plan, are hanging back from support of such a radically new idea, condemned as it is both by Main Street conservatives and the public housing lobby. The fact is that the public housing lobby has made a temporary alliance with its old enemies on the right to cut off this threat to its existence.

The increasingly torrid fight stems from the little realized fact that the public housing program, started in 1937, has lost its momentum.

Only 1,014 units of public housing went to the 20 largest cities in the country in the year ended last October. Elected local officials are chary about approving public housing projects. The simple act of approval involves public officials in racial conflict.

Neither Negro ghettos nor white suburbs want public housing projects, the ghettos because they perpetuate segregated housing the suburbs because they might depress property values.

Enters the rent plan, first thought up last fall by one of the President's celebrated special task forces.

Under this new system, rental units would depend not on the approval of publicly elected bodies. Instead, private nonprofit groups, especially churches, would sponsor a project.

And here is the radical part: Low-income families could get a subsidy from the Federal Treasury equal to the difference between the cost of the rent and one-fourth of their annual income.

But the new scheme has turned housing battle lines upside down. Because the subsidized housing would be privately financed, mortgage bankers are among its loudest supporters. But the public housing leaders, who have fought for years on the side of Democratic administrations, are fighting against President Johnson this time.

This is one reason for the rent plan's problems. Another is congressional fear of the unknown, a characteristic of liberal as well as conservative lawmakers. A good many liberals do not want to take a chance backing a new idea that might explode in their faces.

"This could be great or it could be a great disaster, and I'm not going to take a chance," a western Democratic Congressman (normally a Johnson stalwart) told us. He is voting "No."

The loss of a few nonsouthern Democrats in the House would not be fatal were it not that the complement of liberal Republicans, up to 20 or more, who usually back Mr. Johnson, will not this time. No more than three Republicans support the rent subsidy today (including New York's JOHN V. LINDSAY, whose mayoralty campaign would be damaged by a "no" vote). This means Mr. Johnson can lose no more than 75 or 80 Democrats.

But so far, Mr. Johnson has scarcely said a word about the subsidy (a silence interpreted by some Congressmen as meaning he really wants to drop the plan). Democratic congressional leaders have sent a private warning to the White House that the President had better get moving if he wants to escape defeat.

With the President silent, his supporters have been less than adroit. When eight Republicans on the House Banking Committee issued a hard-hitting minority report, the answer came not from the White House but from Representative WRIGHT PATMAN, of Texas, chairman of the Banking Committee.

The heavy handed PATMAN privately ordered preparation of an unprecedented staff report grandiosely called, "Correction of Misleading and False Statements Concerning Rent Supplement Program." It cost the President votes.

CONDUCT OF THE TASK FORCE ON NATO AND THE ATLANTIC COMMUNITY

Mr. HUTCHINSON. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. GOODELL] may extend his remarks at this point in the Record and include extraneous matter.

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

There was no objection.

Mr. GOODELL. Mr. Speaker, as chairman of the Republican Planning and Research Committee, I was deeply gratified by the way the task force on NATO and the Atlantic community conducted itself during its recent trip to France. Thoroughly prepared with excellent planning, the group did a magnificent job and made a responsible and substantial impression.

Following the series of meetings the group held, there were several refreshing and encouraging developments in Franco-American relations which were certainly related to the efforts of the task force.

I am pleased to insert at this point in the RECORD a dispatch dated June 17 from Paris to the New York Times. I also enclose a copy of a statement issued June 21 by House Republican Leader GERALD R. FORD.

[From the New York Times, June 19, 1965] GOP PANEL HAILS TIES WITH FRANCE—FACT-FINDING MISSION SEES NEED FOR MORE DIALOG

PARIS, June 17.—The Republican congressional factfinding mission to Paris failed to live up to the scornful predictions of its detractors. The Congressmen did not spend their nights in the Lido, nor their afternoons in the Folies Bergere, as had been expected.

Their activities were almost all official. They had 23 sessions, day and night, with high-ranking, low-ranking and nonranking French and Americans. And they say they are leaving tomorrow impressed with the fact that Paris-Washington relations are not all bad but that there is need for more dialog.

In a formal statement winding up its trip, the congressional mission said:

"It is highly important that the traditional ties between governments and peoples be preserved and strengthened."

The group will make its report to the Republican Conference of the House, and to the administration, if it is interested.

If their minds wandered from affairs of the Atlantic Alliance now and then, they stuck to business nonetheless.

Representative JAMES D. MARTIN, of Alabama, taped his weekly broadcast to his constituents at the Embassy's studio and had breakfast with one constituent who is a sergeant stationed outside Paris.

Representative HASTING KEITH, of Massachusetts, whose district includes Cape Cod and New Bedford and who represents many Portuguese-Americans, had a date with the Portuguese Ambassador.

Representative ALEXANDER FIRNIE of Utica, N.J., found two constituents working in the Embassy. The leader of the group, 43-year-old PAUL FINDLEY, a weekly newspaper editor from Abraham Lincoln's old district in Illinois, was approached by a Parisienne who wanted to sell him paintings—she said.

The mission began awkwardly with the "are you kidding" reaction of the Senate Republican leader, EVERETT MCKINLEY DIRKSEN, of Illinois, when the reporters first told him that the mission was being planned. Mr. DIRKSEN later recanted, but in his original comments pointed out that the State Department normally handled U.S. foreign relations.

His point had validity. French authorities said that official visits by members of a country's opposition party were always difficult. This one required restraint on the part of the French Government, an official said, "so that we would not appear to be meddling in internal affairs of a friendly state."

SEE ASTRONAUTS ARRIVE

The group had a date with the French Foreign Minister, Maurice Couve de Murville, this afternoon. The other high-ranking French official on their list was Pierre Messmer, Minister of Defense.

As Mr. FINDLEY explained it in an interview today, the mission was without precedent.

No political party has ever sent a mission overseas before. The party paid. It was estimated ahead of time that it might cost about \$2,800, all told.

To avoid expense to American taxpayers, the mission came by commercial airliner. To

avoid being caught having fun, the group chose an airline that does not show movies aboard its craft.

JUNE 21, 1965.

STATEMENT BY REPRESENTATIVE GERALD R. FORD, REPUBLICAN, OF MICHIGAN, ON REPUBLICAN FACTFINDING MISSION TO FRANCE

The Republican factfinding mission on NATO has returned from a busy schedule of conferences in Paris. The purpose was to study the Atlantic Alliance and to probe what appeared to be a deepening rift between France and the United States.

The mission received an enthusiastic and warm welcome by French leaders.

A full report and specific recommendations will be made to the Republican conference at an early date, but it is obvious this mission has already made a significant contribution.

Toward the end of the 8-day period several notable developments occurred in United States-French relations.

President Johnson suddenly dispatched Vice President HUMPHREY to France where he praised France and met with President de Gaulle.

The French Government made a number of friendly gestures toward the United States. The Government announced prepayment of \$178 million in World War II debt, 10 years ahead of schedule, and both Foreign Minister Couve de Murville and President de Gaulle expressed warmth toward this country in personal statements.

I am delighted to see that President Johnson is now apparently moving in a direction long advocated by Republicans. The Republican task force on NATO last April 20 urged President Johnson himself to go to Europe at the earliest possible date to visit De Gaulle. I still hope he will do so.

Republicans are gratified by these developments and hope the President will now give priority to the difficult and urgent problems of the Atlantic Alliance.

MILITARY ACCIDENTS REQUIRE EXPLANATION

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

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

There was no objection.

Mr. TALCOTT. Mr. Speaker, I believe that the recent rash of disastrous accidents, involving our military personnel in Vietnam and elsewhere, have raised some extremely serious questions which require the urgent attention of Congress. I trust that our colleagues of the Armed Services Committee will pursue this matter with their customary diligence.

We are receiving reports almost daily of tragic losses of one kind or another—none of which is due to enemy action.

We recall the midair collision last week of two B-52 bombers during their mission from Guam to Vietnam—the results of which are at least questionable. In addition to the lives lost, a conservative estimate of the cost of the raid was in excess of \$20 million.

During the same week, two helicopters collided in this country with severe loss of life. Helicopter collisions in Vietnam are reported every few days.

The disaster at our Bienhoa Airbase in Vietnam a few weeks ago, when many

Americans were killed and a score or more of our finest aircraft were destroyed, was perhaps the most shocking accident of all.

Almost as many of our marines in Vietnam have been killed and wounded by the inadvertent actions of our own forces as by the Vietcong. Many accidental losses are probably not reported.

The reported losses are immense and mounting. Many American servicemen have been killed and injured. Aircraft and other equipment, costing the taxpayers hundreds of millions of dollars, have been destroyed.

Mr. Speaker, I believe we have a solemn obligation to require the Department of Defense to supply a full and frank explanation of these tragic accidents. For years, we have been appropriating \$50 billion annually for defense purposes. At such a high level of expenditure, I believe we have a right to expect topflight performance.

It may be that training is inadequate. Unofficial reports immediately following the Bienhoa disaster suggested that an inexperienced bomb handler may have caused the initial explosion. The holocaust which followed also brought our aircraft deployment practices into question once again.

Mr. Speaker, my mail indicates that our people are becoming increasingly concerned regarding these unnecessary military accidents and the accompanying loss of life and materiel. I trust the administration will supply the required answers without delay.

LOIS LAYCOOK

The SPEAKER. Under previous order of the House, the gentleman from Tennessee [Mr. FULTON] is recognized for 15 minutes.

Mr. FULTON of Tennessee. Mr. Speaker, it is with regret that I report to this body my good personal friend and a very fine friend of the House of Representatives is leaving us.

Mr. Lois Laycook, for 15 years the Washington correspondent of the Nashville Tennessean, is retiring from Washington to return to his home at Jackson, Tenn., and manage his family firm, Laycook Printing Co.

For a decade and a half now Mr. Laycook has been covering the House of Representatives and reporting its proceedings. During this time he has carried out his assignments in a forthright and conscientious manner which has brought him credit and distinction. He is a credit to his profession and a credit to one of the Nation's great newspapers, the Nashville Tennessean.

At times he has praised. At times he has criticized. But at all times he has been fair and objective in his reporting and commentary. As an admirer of Mr. Laycook's work for many years I have been most impressed by his pursuit of truth and his conscientious objectivity.

Mr. Speaker, the House of Representatives is losing a great friend. He will be missed. I know that my colleagues who have had the good fortune to know and work with Mr. Laycook over the years

join with me in expressing regret at his decision to leave us and in wishing him every possible success.

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

Mr. FULTON of Tennessee. I yield to my distinguished colleague.

Mr. EVINS. Mr. Speaker, I should like to join my colleagues in commending and paying a brief but sincere tribute to my friend, Lois Laycook, an outstanding newspaperman and journalist.

Lois Laycook came to Washington shortly after I became a Member of the House—he has served as Washington correspondent for the Nashville Tennessean for a number of years. We became good friends and our friendship has remained through the years. His friendship has meant much to me as has his integrity and absolute fairness.

His reporting has been fair and objective and without bias.

He has written factually and with rare insight about the Washington scene and the workings in Congress.

Lois Laycook understands Congress and the interacting relationship between Congress and the executive branch of Government. His reports to the great Tennessee readership reflect his perception and understanding.

We shall miss Lois Laycook on Capitol Hill but I wish for him the best of good luck in the business enterprise of which he is to become a part. I know he will be a progressive businessman. He will be an asset to his hometown of Jackson, Tenn., where he returns to live and participate in his family printing business.

He is a great Tennessean and a great American.

I wish him every success and Godspeed.

Mr. ANDERSON of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. FULTON of Tennessee. I yield to the gentleman.

Mr. ANDERSON of Tennessee. Mr. Speaker, I would like to join my distinguished colleagues in paying tribute to Lois Laycook, a fine and dedicated newsman. Over his many years of service, Lois has become well loved in his home State of Tennessee, and prominently known on the national level.

For a newsman, Washington is often an extremely frustrating experience. But Lois has long ago overcome these frustrations through his sincere, gifted, and level-headed approach to gathering the news. He is a man who has won the esteem, confidence, and respect of this city. It is with great regret that we must now say goodbye to him, as he leaves Washington to return to his home in Jackson, Tenn., to enter private enterprise. We can only wish him well in his new endeavor, and we know that he will be as eminently successful in business as he has been here as a superb journalist, a fine gentleman, and a cherished friend.

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

Mr. FULTON of Tennessee. I yield to the gentleman.

Mr. EVERETT. Mr. Speaker, first, I wish to thank our distinguished col-

league, Hon. RICHARD FULTON, of the Fifth District of Tennessee, for obtaining this special order for what we consider to be a very special purpose. This order allows us to express to the Honorable Lois Laycook, of Jackson, Tenn., our appreciation for the wonderful contribution that he has made to the newspaper profession of this Nation in the years he has been the Washington correspondent for the Nashville Tennessean of Nashville, Tenn.

He has always been very fair and very accurate in all of his reporting. At all times he has worked energetically to report the facts as they happen here in Washington to his distinguished and outstanding newspaper. In returning to his and our native State to help manage his family's business, we all wish him well and hope he will enjoy the future years with much happiness.

Looking back on his career here, I know that his family in the generations to come can point with pride to the record that he has made. We certainly hate for him to leave, but we all wish the best of everything for him in the years to come.

Mr. FULTON of Tennessee. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may extend their remarks in the Record with reference to Mr. Lois Laycook.

The SPEAKER pro tempore (Mr. GRAY). Without objection, it is so ordered.

There was no objection.

Mr. GRIDER. Mr. Speaker, I join my colleague, the gentleman from Tennessee [Mr. FULTON], in expressing regret over the departure of Mr. Lois Laycook, Washington correspondent from the Nashville Tennessean from the Press Gallery. Mr. Laycook is returning to Jackson, Tenn., and will operate his family's firm, Laycook Printing Co.

It seems to me almost impertinent for a new Member of this body to add his word of praise in regard to Lois Laycook. He was an established institution upon my arrival here. I knew of his reputation, his good works, and his dedication to his profession. During the 6 months of my service here, I have found that his reputation is well deserved. His courtesy, his warm friendship to this freshman Congressman, his clarity, and the incisive character of his mind have made a lasting impression upon me.

As the able representative of a great Tennessee newspaper, he has served his country well. We shall certainly miss him.

VIETNAM

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. PIKE] is recognized for 60 minutes.

Mr. PIKE. Mr. Speaker, last week, on Thursday, the Members of this House gathered in special session to do honor to two majors of the U.S. Air Force. The men were indeed heroes, the honors were richly deserved and wholly fitting. The gallery was packed, there was the usual scramble for tickets, and Americans of

all political philosophy joined together to sing with one voice a song of praise for their latest space heroes.

I would have enjoyed participating on that happy occasion. On that date however, with three colleagues of the House, the gentleman from Indiana [Mr. BRAY], the gentleman from Missouri [Mr. ICHORD], and the gentleman from Michigan [Mr. CHAMBERLAIN], I was in Vietnam.

Today the galleries are not packed, there has been no need for tickets, and the floor of this Chamber is more reminiscent of the deathly hush of a battlefield after a battle than the festivities of a special session. I have asked for this time, Mr. Speaker, in order to raise at least one small voice in praise of some other men who are unsung heroes, doing unglamorous jobs in unknown places with unpronounceable names. I have asked for this time because I believe with all my heart that the job that they are doing is more vital than the race to the moon—it is harder, less rewarding, more demanding, more important, and they are doing it magnificently.

We are an emotional people—we glorify the glamorous, we obscure the obvious. For the predictable future, the destiny of mankind is inextricably wrapped up, not with the moon, but with a rich and poor, hungry and fat, dusty and wet, pleasant and bleeding planet called earth. The heroes of whom I speak today are working at the unglamorous job of trying to do something about the destinies of men on the only planet on which men live. While two men were being honored magnificently for their contribution to the effort to get man off this planet, others were returning home, silently, in boxes, as their last contribution to the effort to enable men to live in decency on this planet.

There are those voices raised in this land, even, I am ashamed to say, in the Halls of Congress, saying that these silent returnees should never have been there in the first place, that the preservation of freedom in Vietnam is no concern of ours, that we should, in short, get out, and if that means the Communists take over all of southeast Asia, well, that is just the way the cookie crumbles.

There have always been such voices. There have always been those intellectual ostriches who would bury their heads in the sand of their own self-concern, and from a combination of self-delusion, misplaced faith in the intentions of the enemy, and fear, say that if we would just ignore the bad, it would go away.

Back in the early years of Nazi Germany, even after the swallowing of Czechoslovakia and the crushing of Poland, there were such voices in America. Scraggly students sat, philosophical professors picketed, and on Sunday night radio a great American entertainer made them weep and cheer when he wrapped up his weekly broadcast with this song, which I remember:

If they feel like a war
On some foreign shore
Let them keep it over there.

If some fools want to fight
And think might makes right,
Let them keep it over there.

From coast to coast
You'll hear a million mothers say,
We've done enough,
Don't take my only boy away.

We're for you, Uncle Sam,
But keep out of this jam,
Let them keep it over there.

So, wet eyed and feeling righteous, we looked the other way, and dry eyed and feeling God-only-knows what, the Nazis ran their trains on time, raped France and the low countries, and built those institutions known as Dachau, Belsen, and Auschwitz.

Today a new generation of isolationists is singing the same song. A new generation of students is objecting to American involvement by picketing the White House. Happily, they do not represent America. While they sing and picket, others work. We spent last week watching them work.

We met, in Saigon, an Army lieutenant colonel named Moore, who so loves and believes in that country and its people that having finished one tour of duty there, separated from his wife and family, working by our observation at least a 12-hour day—without overtime—he volunteered to stay on for more.

We saw, on the battlefield at Dong Xoai, walking among the human and material litter of the battle, an Army Special Forces lieutenant colonel named Frink, physically sick, wholly exhausted, who refused to be evacuated simply because there was more work to be done.

We watched, at the airfield of Bien Hoa, a briefing of young Air Force pilots getting ready to take off in 20-year-old planes on a mission in support of Vietnamese ground troops.

We saw, at Chu Lai, Marine Corps pilots take off on a combat mission from an airstrip which an inexperienced Seabee unit had made operational just 22 days after they landed. We watched little children come running at Phu Bai to the big marines who had brought, not only security, but medical care, food, and hope.

We went into the Mekong delta region and were briefed on two types of operation. The first was being conducted by the 43d Ranger Battalion and the 9th Reconnaissance Company of the 9th Vietnamese Infantry Division against a suspected Vietcong company. We inspected the Ranger battalion in the morning. By that night 8 of them were dead and 12 wounded, but they had killed 29 Vietcong, captured one, and seized 12 weapons, 50 mines, and a case of grenades.

The second operation goes, as the entire effort in Vietnam goes, hand in hand with the first. We saw a new school and a new bridge being built with U.S. aid, and new and better pigs which we had introduced and which meant more to the inhabitants of the hamlet of Tan than the most expensive and lethal fighter plane in the world.

We watched, from the carrier *Midway*, a Navy strike launched against targets less than 50 miles from Hanoi, and learned later with relief that the strike was successful and all pilots returned safely. We heard about the Navy pilot from that carrier who, shot down, hid

until dark, then walked straight through a Vietcong camp in the dark of night, fell first into a foxhole and climbed out and then fell into a slit trench, climbed out, walked into a volley ball net, kept his head, and got back home.

Not all of the pilots get back home, nor all of the special forces of the Army, nor all of the marines. Some have come home in boxes, and some will never come at all. Is it worth it? I believe it is.

No one will ever tell this subcommittee again that the South Vietnamese are not fighting for themselves. At Dong Xoai they were outnumbered and outgunned, they suffered over 1,000 casualties, and they fought and they fought and they fought. Perhaps the outstanding memory I will have of this trip is not that of bodies on a battlefield, and bodies on a battlefield are always memorable, but that of tough little men, weighing perhaps 125 pounds, moving out from that battlefield, a helmet full of rice in one hand, a carbine in the other, or bent under the weight of a machinegun, going out to chase the Vietcong one more long weary day back into their hiding places.

When the Government in Saigon falls, they fight on, for they fight not for their Government but for their country. When they are outnumbered, they fight; when they feel hopeless they fight, because they love their country as we love ours. They have been fighting for 20 years. The fighting is more intense today. They are fighting an enemy which will not even discuss negotiations, but brags openly of conquest. They would fight on as long as they could, without American help, but with American help there is a light at the end of the tunnel.

There is hope for the people of Vietnam. There is hope for military security and political stability, but the latter cannot be expected until the former is achieved. Because memories are short, America is called upon from time to time to prove that she is not a paper tiger, that our commitment to freedom is genuine and strong.

Those men who are answering that call in Vietnam today represent the best of America. They deserve more from the homefront than fearful, querulous voices raised questioning their presence. They deserve more from Congress than sniping and stewing. They deserve the same sort of acclaim we give to the heroic performers of glamorous feats. They deserve praise from bigger, stronger, more influential voices than my own. But while this voice lasts, I guarantee you it will be raised again and again and again on their behalf.

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

Mr. PIKE. Mr. Speaker, I am very happy to yield to the distinguished gentleman from Indiana. Before yielding I might say, on behalf of the gentleman from Indiana, that the pace we went over a 2-week period was one which wearied me. I think the gentleman from Indiana has about two decades on me in time as well as one in Congress. I know that he spent his 62d birthday walking around the boondocks in Thailand. I think that is the way he likes to spend his birthdays. I am delighted to have had

him with us on this trip, and thank him for the wonderful cooperation he gave throughout the trip.

Mr. BRAY. I thank the gentleman. I am very appreciative of the fact that the gentleman from New York brought this matter before the House. I would say that it was one of the most interesting—I will not say pleasant—one of the most interesting experiences I have ever had, this visit to Vietnam. I saw as great a degree of heroism as I believe I have ever seen before, and I have seen war before.

In my book, the American helicopter pilots bringing the Vietnamese into battle, under heavy fire—right north of us there were four helicopters that were destroyed and four are still missing—under heavy mortar fire and rifle machinegun fire, are tops in my book.

I wish those people who say that the Vietnamese will not fight could have seen what we saw there. They brought those men, trying to save the village of Dong Xoai—they flew them in three different times. They were ambushed; the Americans kept bringing them in and finally they brought the Vietnamese Ranger battalion right in the village over into our side and landed them, under heavy fire, and forced the Vietcong out of that village.

Mr. Speaker, in a sense I believe this may have been a landmark in Vietcong activities, because here they would attack the village always in the nighttime. Then they would have their group around the area to ambush the people who came in to reinforce the village. However, this time not only did they do that but in addition to attacking the village—and they attacked with great force with modern weapons—they ambushed these different groups attempting to get into the village and then attempted to hold the village.

Mr. Speaker, it was a bloody battle. I will say the village of Dong Xoai was as bloody a battlefield as anyone would ever want to see. Those men fought with extreme courage. The Americans that backed them up and brought them in by helicopter were just as brave.

Mr. Speaker, there were many other things that we saw showing the same courage and bravery as we saw at Dong Xoai. But I would say that was perhaps the largest battle and most viciously fought battle that has taken place there. We arrived there on the third day of that battle.

Mr. Speaker, I want to also echo the remarks which have been made by the gentleman from New York [Mr. PIKE], that these people who say, "Oh, negotiate; get out of Vietnam," what is there to negotiate? Every time the President of the United States has even suggested negotiations they make fun of us and insult America and insult freedom.

Mr. Speaker, when I saw those women and men, living and dead, in that village the only crime they had committed was that they would be free instead of being slaves for communism. In that faraway country they were willing to die before yielding to the Communists. The only crime that they committed was that they would be free.

Mr. Speaker, I left there with a very deep reverence for those courageous people and for the Americans who are there fighting with them.

Yes, Mr. Speaker, it is a tough war and no one wants it. We would all love very much to settle this war. But today the only opportunity we have to settle that war is to surrender. If we did surrender, we would surrender all of southeast Asia which would go into the Communist orbit. China, with its plan of world dominion, certainly needs the rice of southeast Asia. That is the breadbasket of Asia, the land of rice, where rice is life.

Mr. Speaker, there is only one answer. There has never been but one answer. When freedom and slavery collide—and that is exactly what is happening today in that faraway country—the only answer is to fight. There are other people getting interested now—Australia had a battalion of troops in there and we saw them, Korea had troops there, and I believe the Government should make an effort, instead of discouraging it, to bring more people in who believe in freedom the same as we do.

Mr. Speaker, I know it is going to take a lot of courage on the part of the leaders of America and on the part of all of us to fight that war, because it is a war. But the only alternative is to surrender to communism. The day that they are willing to talk any sense about any compromise that is reasonable we should naturally agree to that and to make such negotiations.

But, Mr. Speaker, today the only thing they say is that freedom must surrender to communism. I think that they will change their mind, but the price of freedom has always been high.

Mr. Speaker, the freedom of man, the freedom and dignity of man throughout the ages, is the most priceless heritage that has been reserved for the brave and the strong of heart. That is what the situation is in Vietnam.

Mr. Speaker, we are stronger in America, far stronger economically, than all the forces of communism, because our problems involve surpluses and their problems involve scarcities.

Mr. Speaker, we are strong militarily. But the question is going to have to be answered in the next few weeks or months, perhaps years, I do not know, of whether with that economic strength and military strength we have the spiritual strength of a few people who are willing to fight for freedom.

Mr. Speaker, if we do—and as soon as the Communists well know we will do so—then this matter can be resolved. However, it can never be resolved by a group of people screaming around America who would rather surrender freedom to communism than to fight.

Mr. PIKE. I certainly thank the gentleman. I believe he will agree with me that one of the things we all observed was that the closer you got to the battle-line the nastier the conditions under which the men worked were, the greater the danger in which they found themselves, the less they questioned the value of the job they were doing, the less they complained about the conditions, the

greater the sacrifices they seemed willing to make, and the more they believed in the job they were doing.

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

Mr. PIKE. I am happy to yield to the gentleman from Missouri. We had a wholly bipartisan committee and a wholly nonpartisan committee. The gentleman made a great contribution to the efforts of that committee, and I was delighted to have him with us.

Mr. ICHORD. I thank the gentleman from New York for yielding.

As a member of the four-man subcommittee of the Committee on Armed Services, I wish to take this opportunity to associate myself with the remarks of the chairman of the subcommittee, the gentleman from New York.

During our 5-day stay in South Vietnam we traveled almost 2,500 miles from one end of South Vietnam to the other, into the major battle zones, to the scene of the battle of Dong Xoai, to the aircraft carrier *Midway*, to a minor engagement near Cao Lanh, to the Marine beachheads at Phu Bai, Da Nang, and Chu Lai, to places I had heard of but could not visualize, such as Pleiku, Quang Ngai, Bien Hoa, Vinh Long, Phouc Vinh, and so forth. We were not only briefed by Ambassador Taylor, General Westmoreland, South Vietnamese, and American officials in Saigon but we visited in the battle areas and talked to the hundreds of officers, noncoms, and enlisted Americans, and South Vietnamese soldiers who are shooting, getting shot at, and dying in South Vietnam.

I left South Vietnam with a new understanding of what is happening in that part of the world.

Like the gentleman from New York no one can again tell me that the South Vietnamese do not have the will or desire to fight. I saw how they fought at Dong Xoai and I heard time and time again the American advisers praise the fighting ability of South Vietnamese units. I would also state no one can impress me in the least measure by arguments that the Vietcong are just a bunch of poorly armed peasants fighting an internal revolution. Nothing could be further from the truth. I saw the firepower the Vietcong threw at the compound in Dong Xoai and the modern weapons of North Vietnamese or Chinese manufacture, his dead and withdrawing troops left behind at Dong Xoai.

I departed from South Vietnam of the firm opinion that there is probably more misinformed and uninformed discussion of the South Vietnam situation throughout America today than any other current event in the public eye. However, we fortunately found there is no wavering of purpose among the American combat men in South Vietnam. His high morale, his dedication to the South Vietnamese welfare and the cause of freedom is absolutely astounding. Time and time again these men who were risking loss of life and limb in this far and remote corner of the world told me that whatever we do we cannot abandon the South Vietnamese to their fate. Repeatedly they expressed concern about the overpublicized demonstrations and

teach-ins in America. I am certain, Mr. Speaker, that even the "most confirmed beatnik" who marched in front of the White House some time ago would have serious misgivings about his actions if he had had the opportunity to observe and listen to these dedicated young Americans, many of whom will no doubt make the supreme sacrifice. And I submit, Mr. Speaker, that those misguided idealists who have expressed concern about the loss of American life in South Vietnam should stop and evaluate what the effect of their position is upon the chances of these boys bringing the war in South Vietnam to a successful conclusion with a minimum loss of life. To what extent these people are contributing to the prolongation of the war and the loss of American life should be seriously considered by them. As an American and Member of Congress I feel it is my duty to speak out on this subject to let the Communists in Hanoi and Peiping know that the overpublicized views of these few Americans are not indicative of America's purpose. Such a mistaken opinion of America's resolve on the part of Peiping and Hanoi could be catastrophic.

Mr. Speaker, a week ago Monday a young, handsome, and courageous Marine corporal from Dexter, Mo., named Kenneth Parker, proudly presented to me a picture of his Marine battalion on the western coast of South Vietnam marching forth to secure an objective. I thanked him for the presentation and asked, "How is it going, soldier?" He replied, "Well, sir, it is not too pleasant. I would prefer to be back home." I returned, "Corporal, we have had demonstrations by a few young people in America to have you pull out." He quickly replied, "Sir, I would not want to return home under those circumstances. I think those demonstrations are terrible. They don't know what we are up against."

Yesterday I received word that Corporal Parker's body is being returned to the country he loved so much and for which he gave his life. The message from Department of Defense read that he was killed by Vietcong fire near Da Nang. We, the living, have the duty to see that Corporal Parker did not die in vain. We must see that the principles and objectives for which he fought are attained.

Though Kenneth Parker may not have been familiar with all the complexities of the South Vietnam problem, he was ready and determined and did make the supreme sacrifice in an effort to stop Communist aggression. After meeting Corporal Parker, Mr. Speaker, and coming to a full realization of what he fought and died for, I would hope that the distorted press articles and editorials of the South Vietnam situation would be minimized, and those giving the peace-at-any-price speeches in the Halls of Congress will measure the effect of their speeches before they bow to emotion.

I thank the gentleman from New York for yielding.

Mr. PIKE. I thank the gentleman deeply for his articulate and eloquent

contribution and the tribute he paid to his friend from Missouri.

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

Mr. PIKE. I am happy to yield to the distinguished gentleman from the State of Michigan who was of such value in producing many new ideas throughout the trip we took.

Mr. CHAMBERLAIN. I thank the gentleman.

Mr. Speaker, first I wish to say that I am indeed proud to have been associated with my colleagues who joined in going to Vietnam. I particularly wish to pay tribute to the chairman of our subcommittee, the gentleman from New York, for his aggressive approach to all our problems and for making certain that our committee was provided with opportunities to obtain information we needed. This he saw to with great diligence.

He was quite a taskmaster. We worked early and late. We were up several mornings at 5 and 6 o'clock, getting our fatigues on to go out with the troops, and it was after dark most evenings by the time we got back to clean up.

I wish to say, Mr. Speaker, that I take no exception to anything my colleague from New York has said, or my colleague from Missouri [Mr. ICHORD] or my colleague from Indiana [Mr. BRAY]. This was indeed a bipartisan mission. We did not go as Republicans or Democrats—we went as red, white, and blue Members of Congress.

I believe we cannot overemphasize the fact that this struggle which is going on in this remote area of the world, half-way around it, is a real war. This was brought home to us very forcefully. I do not believe the American people really understand it as fully as they should.

I must say that as I have read about Vietnam in the news and followed events of the past several months—I believe with considerable diligence, being a member of the Committee on Armed Services—I really could not fully appreciate the nature of this jungle warfare. How could they take hundreds of men, or perhaps thousands, and no one know of their presence, not be able to go out and find them, and say, "Let us take care of this problem"?

I feel one has to fly over that jungle area and see it with his own eyes to fully comprehend the nature of this struggle.

There is perhaps little I can add to what my colleagues have said.

They have covered our activities rather fully, but I would say this: All of us, everywhere we went, asked this question of our people, not only of our forces but those of the South Vietnamese: "Is there anything that you need, and how is your equipment," and so forth. We had no complaints, or no major complaints at least, about the equipment available for our forces there. We had no complaints about the food supplied to our people. We found the clothing to be adequate in most instances.

I would also like to say that what has been reported here with respect to the morale of our forces I, too, found to be true. The boys out there that are doing this job seem to know why they are there and what they are doing. There

may be doubts here in this country as to why they are in Vietnam, but the fellows we talked to had no doubts about their job in Vietnam.

My colleague [Mr. ICHORD] and I went to a hospital in Vietnam where the wounded had been brought from the battle of Dong Xoai. He talked to some of the service people there that had been injured and so did I. One chap from by home State, whom I found there and whom I particularly sought out because I wanted to give him a few words of encouragement, had this to say to me. I told him, "You know, back home there is quite a bit of discussion as to whether or not we have any business being over here." I asked him, "What do you have to say about that?" Well, this young man lying on his back, with his foot in a cast and one hand in a cast, said to me, "You cannot beat the commies by backing down. I would rather fight them here than at home."

And the chap in the next bed to him, coming from Virginia, chimed in when we were talking about these teach-ins, "Sir, I do not know what you have to learn in order to be educated, but those professors are nuts." I could not have had it expressed more eloquently than it was by that chap from Virginia who was also there recovering from injuries sustained 2 days earlier in the battle of Dong Xoai.

There is one thing that has disturbed me and which I have given some thought to, not only since I returned from South Vietnam, but, before that. This is the question of supplying these forces that are out there. Before I left I asked some people in the Department of Defense to advise me about the free world shipping that was going into North Vietnam. They gave me a report and I specifically asked them for an unclassified report. I have here in my hand this unclassified report of shipping into North Vietnam so far this year—January, February, March, April, and May—nothing for June. They have had 38 British ships going into North Vietnam, 2 Japanese ships, 9 ships from Greece, 9 ships from Norway, 3 ships from Holland, and 4 ships from Lebanon, or a total of 65 ships from what we would call free world nations that are sending their ships to help supply the North Vietnamese which are keeping this thing going.

Mr. Speaker and my colleagues of the House, I say again that these are unclassified figures made available by Lloyd's of London. I further say to you that I have seen the classified figures. If you are shocked by this, you should see what the classified report says about free world nations, people that we have helped over the years, who are helping to keep this thing going.

Each one of these nations that is now sending their ships to North Vietnam is the beneficiary this year, the fiscal year 1966, of the Foreign Aid bill that was passed by this House weeks ago; maybe not as much as some of them have received in years past, but I checked this out this afternoon and each one of them is getting something from us. I say it is time that our State Department got on the stick and started to put some

pressure where it belongs to shut off their water.

Mr. Speaker, one other thing that has not been mentioned here. I think we might have a comment with respect to this. As we stepped from the aircraft at the airport serving Saigon the local press, after we had exchanged greetings with General Westmoreland, asked the chairman of our subcommittee for his comments on the change of government in Vietnam. Of course, we had agreed among us that we were not there for publicity or to do anything but to find out as much as we could about what was going on and to complete the mission to which we had been assigned.

So the chairman of our subcommittee said that we had no comment. That was the first we had learned that the Government in South Vietnam had been altered in any form. I do not know how the press reported that back here. The only comment that I would like to make at this time is that there did not seem to be great concern over the change in the Government in Saigon at that time. Sure, they are going to be making some realignments, but I did not sense that it was going to have any major impact on the conduct of the war. I thought I would pass that observation along to my colleagues.

There is no easy answer, as I view it in this struggle. It has been going on for many, many years out there. I do not think by virtue of our short visit out there that it is going to be appreciably shortened. I think it was my colleague from Indiana [Mr. BRAY] who said that to be an expert on this situation in Vietnam you have got to be there less than 30 days or more than 30 years; and I think that is probably true.

I do not think we came back with the feeling that we are experts in this area, but at the same time I think it would be well for us to say that we think this is not going to be solved in any easy way because it is not. It is going to test the best of us, of the people of this country, and it is apt to go on for some time. I think we had better take a notch in our belt, get a little more serious about it, and get about the job.

I was pleased to have it reported that we are getting some help from our allies out there, the Korean troops and the Australians. But as we are called upon to put in more of our people, more of our boys—and the Secretary of Defense while we were there announced that we were sending in another 15,000 troops, perhaps more—I feel that here again the people of this area who are more directly affected should likewise take a notch in their belt and realize that this, too, has a direct bearing upon their own security, and they should help perhaps a little bit more than they are now. In addition to our completing our assigned mission, that of supplying answers to specific inquiries that were put to us by the chairman of our committee, I feel that we, by virtue of our trip, have obtained a fund of information that is going to serve us well in the weeks and months ahead as we are called upon to deal with the problems in this troubled area of the world.

Mr. Speaker, I thank the gentleman.

Mr. PIKE. I thank the gentleman very much for his very important contribution.

Mr. Speaker, in closing this discussion I would like to say this. We know that tomorrow the newspapers are going to show pictures of people picketing the White House, complaining about what we are trying to do over there and what we are trying to do in the world.

Mr. Speaker, I only hope that as this word gets back to the boys in Vietnam they also get the word that four Representatives of somewhat over 2 million people, I expect, of four different backgrounds and two different political faiths, and as many different philosophies as there are people, have simply gone out there together and have seen as Americans and reported back with one voice that what we are doing out there is important, that what we are doing out there is meaningful and that we are just as proud as we can be of the Americans who are out there representing us.

AMENDING THE TRADE EXPANSION ACT

The SPEAKER pro tempore (Mr. GRAY). Under previous order of the House the gentleman from Pennsylvania [Mr. DENT] is recognized for 30 minutes.

Mr. DENT. Mr. Speaker, I have taken the floor many times during the past 7 years in opposition to our national trade policy and the philosophy on which it seems to be based. Today I am as completely convinced as I was during those years that this program is on the wrong track. I said so in 1962 when the legislation was debated on this floor. I have said so on numerous occasions since that time, and I still say it.

I do not believe in legislating as we did in 1962 to injure American industry and then telling the Government to run over to the injured companies and workers with first-aid packs to ease them over injuries caused by previous governmental action. Yet that approach was adopted. Up to now, not far from 3 years later, no adjustment assistance has been given, even though 17 applications have been made for it before the Tariff Commission.

As I say, I do not believe in legislating deliberately to cause injury on a national scale and then coming to the rescue; but the legislation having been adopted, it should not have been drawn up, as it was, in a manner to assure its sterility.

I have never been able to understand why domestic industry, upon which our economy relies, along with agriculture, to provide us with what we eat, wear, live in, ride in, and use in many other activities, should be used as a pawn in international politics, and why it should bow to imports and move over to make way for them, as if imports were sacred.

I will grant that a healthy exchange of goods among nations is fine, but I do not buy the philosophy that would hoist trade to a level of priority above the welfare of our own industries and workers. That does not make sense, and yet that is the very essence of the trade policy of the past 30 years.

Also I do not object to reducing tariffs that are higher than necessary; but I do want to adopt an arbitrary approach, such as is contemplated under the GATT negotiations in which we are now engaged by way of carrying out the notorious Trade Expansion Act of 1962. The purpose is to slice our tariffs in half, with "a bare minimum of exceptions." This intent or policy runs counter to all proper regard for American industry and especially labor. Not all our industries are on an equal competitive basis with imports. Therefore they should not be treated the same.

If some tariffs might be cut 50 percent with impunity, others should not be cut more than 25 percent or less and some should not be cut at all. Some tariffs, moreover, have already been cut too deeply and should be raised or their place taken by import quotas.

Our tariffs have been in effect a long time, and our industries have grown up under them. We have been reducing them for 30 years, and on the average they are only 20 percent as high today as they were in 1934 in the amount of protection they afford. Some rates are higher than others. Indeed nearly 40 percent of our total imports come in free of duty. The higher rates have been reviewed numerous times in the past 30 years and they are what remains after many exposures to the tariff-cutting exercises of the State Department. There were no doubt good reasons for not cutting them deeper, considering the eagerness of our delegations to the international conferences to use the knife.

During this 30-year span since 1934, different rates have been cut varying amounts. This is in keeping with the different competitive position of various industries. It should not be difficult to understand that an industry that is in the happy position of being well ahead of foreign industry technologically and in point of richness of resources and other factors, might have no need of tariff protection or could get along with lower rates than other industries not so well favored.

It is not necessarily inefficiency in a domestic industry that places it at a competitive disadvantage. An industry may be at a disadvantage through no fault of its own, but if the tariff on its products is reduced it will nonetheless surely suffer seriously from import competition.

One of the common disadvantages that is not the fault of our industry—in fact is to its credit—are the higher wages paid in this country. This can become a serious disadvantage in the face of foreign industries when they have adopted our technology and production methods and have installed modern machinery that lifts their man-hour productivity up to or nearly up to or even above ours. We are justly proud of the high wages we pay but they can represent a terrific handicap in foreign trade, as many industries have learned. I am not one who believes that we should reduce our wages in order to compete with imports. Attachment A following my statement is the testimony given this very morning

by the Plywood Industry before our Committee on Fair Labor Standards.

Another disadvantage that need not be the fault of an American industry might lie in the failure to find a rapid cost-reducing mechanism when challenged by imports. New methods of production that represent radical improvement over current methods depend on invention; and inventions are not turned on like a light. Yet, given time we have made tremendous progress in overcoming the disadvantages that may reside in labor-intensive situations. In recent years, for example, pretzel bending by hand has been replaced by machines. Very few cigars are still made by hand. A hundred and more examples could be found of instances in which a long lag gave way to some novel invention. As a country we have nothing to apologize for in this respect. We have led the world in technological advancement.

Having led the world we then shared our technology with other countries and in recent years they have eagerly taken to our system.

That this fact should have confronted many of our industries with serious problems should not have surprised anyone. That it will confront yet more industries in like manner should also surprise no one. An industry that is well ahead in technology today may be outstripped tomorrow. Should there be no decent defense against these developments? Are we who led the world in this field to become the victims of our generosity? I ask you in all fairness: What kind of a policy is it that would exact this penalty of us, in the name of anything you can think of? We do not buy world peace with such currency.

The facts have been very clear. The cost of production in other industrial countries has fallen in relation to ours in many fields. This was the result of rapid technological advancement in those countries. They were able to leap over virtually a generation of research and development because we made our technology available to them.

Because of this cost advantage many of their products have been able to penetrate our market with remarkable ease. In the case of the large, powerful industries, such as automobiles, the imports have been survived; but even there we should not sing too loudly and lustily. The steel industry has also withstood the import impact; but the end is not yet. Imports are still rising. In smaller industries, such as glassware, tile, pottery, textiles, typewriters, sewing machines, and many others, the power of resistance is not of the same degree. Such industry can no longer expand in the face of imports as it did in past years and hire additional workers. Rather it strives with might and main to reduce its costs by installing the most modern machinery and thus displacing workers by the hundreds or thousands.

In the case of typewriters and sewing machines overseas investments have been resorted to as the remedy. This leaves the home fires of labor burning ever dimmer while the companies do quite well abroad, enjoying the low wages prevailing there.

The trouble facing so many of our industries from imports is not mysterious; nor is it a mystery when they try to defend themselves by becoming more efficient. Unless they do this they will inevitably succumb to the import damage. The fact is, however, that the only way open for real cost reduction lies in eliminating labor, for employee costs in total corporate costs in this country represent 80 percent. Therefore efforts to remain competitive come out of the hides of the workers; and not only is unemployment swelled but our consumer purchasing power is crippled every time a worker is displaced by machinery.

I want at this point to answer the academic economists who say that installation of labor-saving machinery leads to higher employment. Ordinarily this would be true; but they have not considered the situation where the installations are made in feverish efforts to remain competitive; that is, simply to hold their own. Under these circumstances, precisely because imports have already come in at lower prices and have captured most of the additional market that opens up because of lower prices our industry's cost reduction does not lead to the higher volume of sales that would be necessary to rehire the displaced workers. Imports have supplied this additional demand and our industry does well to hold its own and indeed often does not succeed in doing so. The displaced workers then either find employment elsewhere, and this is not always easy; or they start drawing unemployment compensation; and that is not the kind of future that our workers look forward to and are entitled to.

How many tests do we need in order to prove that under present circumstances we are not generally competitive with other countries?

Consider the merchant marine. We find it necessary to subsidize both ship construction and ship operation. Even so, many of our ships register under foreign flags and only about 10 percent of our foreign trade moves under the American flag.

Why the subsidies? They are based on relative costs of ship construction and ship operation. Actual studies are made of wage costs here and abroad. As I say, even then many of our ships register under foreign flags. Why? They gain the advantage of wages low enough to permit them to compete with foreign lines. For them the foreign flag represents the same as foreign investments by companies that open up manufacturing plants abroad; that is, under foreign flags.

Figures are available to demonstrate that our share of world exports has been shrinking—this in the face of our extensive and heavy subsidization through foreign aid, Public Law 480, food for peace, and so forth. Particularly unfavorable has been the decline in our share of world exports of manufactured products. Again, there should be no mystery about this. The answer is as clear as it is with our merchant marine.

Let me tell you something about our steel exports.

The iron and steel community of Europe produced 82.8 million tons of steel

in 1964. It exported 13.9 million tons, or 16.7 percent—Source: "European Community," May 1965, p. 5. The United States produced 84.9 million tons and exported 3.3 million tons, or 3.9 percent; and 30 percent of these exports are accounted for by foreign aid—Source: Iron and Steel Institute—Japan produced 39.8 million tons of crude steel in the same year—1964—and exported 6.9 million tons, or 17 percent.

In 1958 we were exporting more than half as much again in steel as we imported. Now we import twice the tonnage that we export.

Do these figures mean anything in point of the competitive position of our steel industry? Are we going to stand idly by and watch this industry do its expanding overseas? The industry invested about \$1½ billion in new plant and equipment in 1964. This is for the installation of oxygen furnaces, continuous casting, and so forth; but these investments represented "modernization," not expansion. We have excess capacity, as it is. They meant making more tons of steel per thousand workers than before. Steel employment is down from 10 years ago even though we are producing more steel. That is the effect of becoming more efficient.

How efficient must the steel industry become in order to halt the increase in imports? Must we install enough new machinery to displace a quarter of the work force?

In 1960 the number of production workers in blast furnaces, steel and rolling mills was 424,000. They produced 71,149,000 tons of steel or 154 tons per worker. In 1964 the number of workers was 456,000 but they produced 84,945,000 tons of steel or 186 tons per worker. This was 32 tons more per worker than 4 years earlier, or an increase of 20 percent—Survey of Current Business, October 1961 and May 1965. This was production workers in the mills, not the technicians, office workers, salesmen, and so forth.

Unfortunately this increase in "efficiency" did not prevent the rise in imports. So I ask, how far must we pare labor costs in order to become really competitive both at home and abroad?

Is this the way to solve our unemployment problem? Is this the way to overcome poverty? Or does this road guarantee a perpetuation of poverty, making of the unemployment pool one that fills as fast as it can be bailed out or faster?

How much longer are we to worship the goddess of free trade? How many more millions of jobs must we feed her insatiable hunger?

And now we are proposing to reduce the tariff another 50 percent. I ask you as before, in all good sense, is this a solution? Why do we insist on such a self-defeating course?

Would it not be better to remove from the President's list all those products that have already established a record of easy access to our market even at the present level of duties? Also, would it not be better to hold imports down to the average level of the past 3 years so that we will not be pressed to throw people out of work more rapidly than

we can absorb them—simply as a matter of holding our own against imports?

Mr. Speaker, to me the answer to these questions is very clear. I am in full accord with the legislation that is offered to amend the Trade Expansion Act of 1962 and am happy to join in the introduction of it. I shall do all I can to bring it to passage.

I will support this legislation as a holding device, to hold onto our industrial competitiveness in our own markets until the inevitable day when we realize the fallacy of the free trade doctrine that ignores the economics of international trade and its effect upon the lives of domestic workers.

ATTACHMENT A

STATEMENT OF ROBERT N. KATZ, ON BEHALF OF THE HARDWOOD PLYWOOD MANUFACTURERS ASSOCIATION, BEFORE THE GENERAL SUBCOMMITTEE ON LABOR, APRIL 23, 1965

Mr. Chairman and members of the committee, my name is Robert N. Katz, an attorney with offices at 1100 17th Street NW., Washington, D.C. I am here today as counsel for the Hardwood Plywood Manufacturers Association, a trade association which represents the domestic hardwood plywood industry. This industry accounts for more than 35,000 employees in 31 States. Many of our members' production facilities are located in areas of substantial and persistent unemployment and provide employment to persons who would neither find nor be qualified for employment elsewhere. On behalf of our industry, our membership and their employees, we are testifying in support of a minimum wage of \$1.25 per hour, a work week of 40 hours and time and one-half for overtime.

Any increase in minimum wages, any decrease in length of the work week or any increase in premiums for overtime work will inflict additional burdens on an already beleaguered industry. Today, imports account for more than 50 percent of sales of hardwood plywood in the United States. In addition, this industry is facing increased competition for lower priced substitute products. Although the Consumer Price Index has risen, wages have risen and other costs have risen, the price of hardwood plywood has shown remarkable constancy due to competitive pressures on this industry. As a result, of course, a number of mills have closed their doors with the resultant unemployment.

The hardwood plywood worker in foreign countries is paid less than one-eighth the pay of some employees in the United States. For example, in 1962, a daily wage in the plywood industry in Japan was \$2.32. An hourly wage for one of our member companies is \$2.50 per hour. It is obvious that the productivity of the U.S. worker is not that much greater that the wage differential can be overcome. The foreign employee is working with equipment financed partially or completely with U.S. foreign aid funds. Yet some persons have the audacity to say that the U.S. businessman isn't competing as fully and effectively as he can and should. How can one compete effectively when he is financing and subsidizing his competition?

The hardwood plywood industry technology is such that new and better equipment or capital investment will not significantly reduce the cost of labor involved. Accordingly, the producer cannot offset rising labor costs by increased efficiencies elsewhere. The result is loss of markets and loss of jobs. Thus, in areas of substantial unemployment, we'd have \$80-a-week men idle instead of \$50-a-week men working.

A survey of the domestic hardwood plywood industry has indicated that the employer will not increase his labor force and thus spread jobs among more people because

of the cost of fringe benefits that would accrue to additional employees. Instead, the employer will be compelled to pay the overtime premium if he does retain enough of the market to justify the longer hours. However, it is obvious that costs per unit of plywood will increase so that either meager profits will be curtailed or ultimately the business will be closed. The hardwood plywood manufacturer cannot obtain capital investment in this industry because investment capital is being diverted into segments of the economy which offer more attractive situations from a labor standpoint.

A shorter workweek or premium pay for overtime would not serve to increase employment in this industry nor would it enrich the workers. Here again, markets would be lost and output reduced. The producer would not add a second or third shift; he couldn't sell what he produced. He won't pay overtime premiums. The market will be further capitulated to the foreign producer by default at a time when this administration is concerned about balance of payments.

It is obvious that the increase in costs of manufacture of hardwood plywood are not and cannot be passed on to the consumer. In 1951, the wholesale price index for hardwood plywood was 105.8. Ten years later in 1961, that index price had declined in the face of rising costs to 101.4 and has declined even lower since that time. In 1963 it was, for example, 96.9.

Accordingly, in conclusion we strongly urge that this Congress not impose additional cost burdens upon an already burdened industry beset by rising cost of materials and by competitive pressures of substitute articles.

ATTACHMENT B

INTERESTING BRIEFS ON TRADE

HERTZ'S PROGRESS REPORT

Herter, speaking before Washington Board of Trade, May 20, 1965, made a progress report on the Kennedy Round. "Already on the bargaining table," he said, so far as industrial tariffs are concerned, was enough for "the most substantial liberalization of world trade in industrial products that has ever been achieved in the entire history of trade negotiations."

"This time," he continued, "we are dealing with virtually all goods which move in foreign commerce. We are proposing for most products a linear tariff cut of 50 percent."

There may be some surprises among those who believe they have persuaded the special representatives to treat them with kid gloves. Everything points to drastic cuts along a very broad front.

TYPEWRITERS OFFER GOOD EXAMPLE OF TRENDS

Estimates place imports of foreign-made portable typewriters at two-thirds of 1.6 million machines marketed in the United States. Even Royal, Remington and Smith-Corona are "in large measure now being turned out in Europe." (New York Journal of Commerce.)

Standard manual typewriters are imported on lesser scale, or about 16 percent of domestic output. Imports of electrical typewriters were about 6½ percent of the number produced here in 1964. Japan is moving upward as source of portables, led by brand "Brother International".

JAPAN, HONG KONG, ETC., HAVE CAPTURED U.S. RADIO MARKET SEGMENT

Japan and other far eastern sources have shipped nearly 75 percent of the transistor radios sold in this country in 1964. The share of tube radios imported has reached about 7 percent mostly from Japan. Beyond that imports of parts for use in assembly here have reached high levels.

Consumer electronic manufacturers in this country have fallen behind in employment of labor. In industrial and military

electronics we still hold the market. However, the consumer goods market in nearly all fields offers the best hope of expanding employment.

But for imports the consumer electronic goods industry would have been one of the classical growth industries that would have employed several hundred thousand workers in the production, distribution, repairing and servicing operations. Instead some leading domestic manufacturers have undertaken production abroad or have licensed foreign producers. Also, parts manufacturing for our set assemblers has expanded greatly abroad.

If the domestic employment possibilities that are generated by new industries, particularly consumer goods industries having great promise, are to be dissipated in this manner in the future, the hope of coping with unemployment will become dim indeed.

AUTOMOBILE INDUSTRY ANOTHER EXAMPLE

In 1964 sales of overseas plants of General Motors were 1,223,000 cars and trucks. Ford's foreign plants sold 1,002,340 units and Chrysler, 535,000. In the past these 2,750,000 cars and trucks would in large part have been exported from this country.

STEEL IMPORTS CONTINUE TO CLIMB

The President's Council of Economic Advisers on steel prices reported May 3. Employment in 1964, the record year of high production, rose by 36,000 after dropping by 130,000 from 1957 to 1963.

Steel imports are moving to a record high of more than 7 million tons in 1965, or well over twice the export tonnage. The United States moved from a net exporter of steel to a net importer in 1958. The shift made a difference in 1964 of \$791 million compared with 1955-57 in balance-of-payment deficit.

AID SHIPMENTS SWELL EXPORTS

"AID-financed 45 percent of all exports of fertilizers; 37 percent of U.S. exports of railway equipment and 30 percent of U.S. exports of iron and steel products." (Senator PHILIP HART, Michigan, CONGRESSIONAL RECORD, Mar. 4, 1965.)

JAPAN AS SHIPBUILDER

In 1959 Japan built 19.7 percent of world's launchings—tonnage. In 1964 her share had grown to 39.7 percent.

CELEBRATION OF THE 50TH ANNIVERSARY OF THE OPENING OF THE PANAMA CANAL—GRAND OLD MAN OF THE CANAL

The SPEAKER pro tempore. Under previous order of the House the gentleman from Wisconsin [Mr. LAIRD] is recognized for 15 minutes.

Mr. LAIRD. Mr. Speaker, on August 15, 1914, the Panama Canal was formally opened to world traffic. On August 14 and 15, 1964, the 50th anniversary of that great event was celebrated in the Canal Zone.

The celebration consisted of special features of commemorative character. In attendance were prominent Canal Zone and Panamanian officials and citizens; also distinguished guests associated with the building of the canal and its maintenance and operation. Among the latter were a number of former Governors of the Panama Canal; namely, Major Generals Julian L. Schley—recently deceased, Clarence S. Ridley, Glen Eneidgeron, F. K. Newcomer, John S. Seybold, and William A. Carter. Also present were Mrs. Schley, Mrs. Ridley, and Mrs. Newcomer; former executive secretary of the canal organization, Col.

Frank H. Wang, of California; Capt. Walter G. Ross, of Washington, D.C., Quartermaster at Emoire, during the construction era; James G. Gilbert of Greenville, N.C., who was superintendent of mails of the Canal Zone 50 years before; and Frederick G. Swanson, of Tyler, Tex., an oldtimer, who served in various capacities on the canal project during construction days. Other oldtimers were also in attendance, including former Representatives in Congress, and the sole surviving member of the Isthmian Canal Commission and Civil Governor of the Canal Zone during construction, Maurice H. Thatcher of Kentucky and Washington, D.C.

Maj. Gen. Robert J. Fleming, Jr., Governor of the Canal Zone and President of the Panama Canal Company, led the celebration, assisted by Col.—now General—David S. Parker, Lieutenant Governor; Paul Runnestrand, executive secretary; Frank A. Baldwin, information officer; Miguel Corco, protocol officer; and others of the Canal Zone organization.

Then there was the social side of the picture that required consideration. In the welcoming and entertainment of guests, in planning the social entertainments, and the like, Mrs. Fleming, with requisite assistance, discharged all the duties imposed with charming courtesy. One of those helping in these tasks was Mrs. Amy McCormack, founder, and now—for the second time—president of the Isthmian Historical Society, of which former President of Panama, Dr. Ricardo J. Alfaro, and Mr. Thatcher are honorary life members.

On each day of the celebration two or more events were featured, as now enumerated. The first of these was a midday luncheon on board the Panama liner, the *SS Cristobal*, in port at Cristobal, C.Z., on the Caribbean side of the canal, whose efficient master, Capt. Charles S. Foley, was host. A trainload of Canal Zone officials and distinguished guests were transported by the time-honored and efficient Panama Railroad, from the Pacific side. A large number were present at the luncheon, and its principal feature was the bestowal, by Governor Fleming, of a certificate of appreciation to the United Fruit Co. for its heavy patronage of the canal through all the years of canal transit.

After the return of the train to the Pacific side that afternoon, the party repaired to the rotunda of the administration building on Balboa Heights, and witnessed the presentation by Mr. Thatcher and Lieutenant Governor Parker, to a few surviving employees of the construction days, silver medallions and the handsome book prepared for the celebration.

Immediately there followed a most interesting ceremony, on the esplanade of the Administration Building, facing the Pacific entrance of the Canal, namely, the unveiling of a memorial to the builders of the Canal. Lieutenant Governor Parker presided. General Edgerton paid a worthy tribute to the builders, after which Mr. Thatcher unveiled the memorial and paid further tribute to the builders, as well as to those who followed

after and had operated, maintained, and protected the great waterway with complete efficiency and success.

The memorial is a large slab or boulder, bearing an inscription which is an excerpt from the address to the builders made in 1906 by President Theodore Roosevelt when he visited the isthmus to inspect the canal work. This is the inscription, English text, which was followed by Spanish translation:

DEDICATED TO THE BUILDERS OF THE PANAMA CANAL

You, here, who do your work well in bringing to completion this great enterprise, will stand exactly as the soldiers of a few, and only a few of the most famous armies in all the nations stand in history. This is one of the great works of the world.

On the evening of August 14, distinguished guests and Panamanian and zone friends, hosted by Governor and Mrs. Fleming, were carried by a large launch through Gaillard—formerly Culebra—Cut into Gatun Lake, and return to the Pedro Miguel locks. The cut is now illuminated at night for transit use, and the scenes thus presented are most interesting.

The next feature of the celebration took place at the Pedro Miguel locks on the morning of August 15, when Governor Fleming presented to the St. Louis Museum of Transport an obsolete towing locomotive which for years had been used on the lock walls in the transiting of the locks by ships of the world. Acceptance was made for the museum by Mr. Everett Winter. Here it may be noted that all the older towing locomotives have been recently replaced by newer and more up-to-date locomotives.

The next item of the celebration program occurred on board the Grace Line's lovely ship, the *Santa Maria*, in Balboa Harbor. The vessel plies between New York and the west coast of South America. An excellent luncheon was served, and Governor Fleming presented to the Grace Line a handsome certificate of appreciation for the line's long continued use of the canal, with a huge total of tolls involved. Acceptance of the certificate was made by the line's vice president, Mr. Frank X. Steimetz. He and the captain of the ship, Capt. A. DeSmedt, were cordial hosts, and distributed to the assembled guests tiny, but beautiful enameled replicas of the time-famed *Santa Maria*, the flagship of Columbus on his first voyage to the New World. It may be recalled that Columbus, in a later voyage, visited the Caribbean shores of present-day Panama.

Among the Panamanian group attending this ceremonial were former Presidents of Panama, Ricardo A. de la Guardia, Dr. Ricardo J. Alfaro, accompanied by Mme. Alfaro Ernesto de la Guardia, and Ricardo M. Arias E. The visiting guests included Ambassador to Panama, Hon. Jack H. Vaughn. The Secretary of Foreign Relations of Panama, Mr. Galileo Solis, was there, with cordial greetings for all.

Governor Fleming presented to the Grace Line a certificate of appreciation, in behalf of the canal organization, because the line has been, like the United Fruit Co., a high-ranking patron and

tolls-payer of the canal. Acceptance of the bestowal was made by Vice President Steimetz.

Thereupon, in conclusion of the ship's program, the traditional ribbon was cut by former President Alfaro and Mr. Thatcher jointly; and the scissors thus used were afterwards appropriately inscribed and presented to Mr. Thatcher, to be added to his many isthmian trophies.

On the evening of that day—August 15—Governor and Mrs. Fleming, at the Governor's House, Balboa Heights, gave a beautiful reception, with buffet dinner. It was largely attended. The distinguished guests from the United States mingled in cordial good will with Panamanian officials and nonofficials and Zonians in attendance. The Flemings had thoughtfully—and generously—provided a handsome birthday cake for Mr. Thatcher—August 15 being his natal date. He was most agreeably surprised when he learned of the courtesy when the hosts asked him to enter the dining room and cut, which he did, as "Happy Birthday" was sung to him. Also Governor Fleming presented him with a handsome cane or walking stick made from an ancient lignum vitae tie of the Panama Railroad, appropriately inscribed.

The reception was the last feature of the celebration, which closed on a very pleasing note. For Mr. Thatcher, however, there was yet much to do before he left the isthmus, by jet, on his return to Washington. Zone and Panamanian friends entertained him, and came to see him at the Tivoli Guest House—some of these friendships were a half century old, and he was exceedingly grateful therefor. Among these were Gerald G. Typaldos, former director of the *Star & Herald*, the oldest newspaper on the west coast of the Americas, and *Estrella de Panama*. The editor of the newspapers, *Panama American* and its companion paper, in Spanish, *Dr. Harmodio Arias*, son of a former President of Panama, found him at the Tivoli, where pleasant converse was held.

Mr. Thatcher also found time to place a handsome floral wreath at the base of the statue in old Panama, of Samuel Lewis, a former friend during the construction era. Mr. Lewis was Secretary of Foreign Affairs of Panama at that time, and was the staunch friend of the canal enterprise and rendered in its behalf much needed and powerful support—especially with respect to the importation of needed labor for the canal work. Mr. Lewis possessed a rare capacity for friendship; and he was a brilliant scholar and historian. His son and grandson, Samuel Lewis II, former Ambassador from Panama to the United States, and Samuel Lewis III met Thatcher at the statue, and took him to the home of Samuel II, where oldtime Panamanian friends joined them and reminisced.

On Sunday, August 17, Mr. Thatcher was the guest—the honored guest—of the Panamanian town of Arraijan, and its inhabitants and the consolidated Guillermo School. The town has something like 3,000 people in its borders, and

the school has about 750 students. Some years ago he gave the land for a children's playground in Arraijan, and gave and procured the necessary funds for the purchase, made by him, for the equipment for the playground, which was named for him, Parque Infantil Thatcher, and which was formally dedicated by him in November 1958 when he and Mrs. Thatcher—now deceased—were in attendance at the 100th anniversary celebration of the birth of Theodore Roosevelt. Practically the entire population of Arraijan and the school turned out to greet him whom they regard as a benefactor; addresses of welcome were given by Dr. Julio Pinilla, director of the school, and the teacher of English, Miss Dureen King. The students put on a very novel and interesting program of songs, recitals in English and Spanish, and native dances. A feature of the occasion was the presentation of a Thatcher Medal to the best student in Spanish for the last school year. He is furnishing each year handsome medals for the best students in English and Spanish. In this connection it may be noted that some years ago he began the bestowal of medals to the Canal Junior College for the student, each year, with the highest rank in scholarship and deportment; and he has made important contributions of reference books for the college library. Arraijan officially named a street for him—Calle Thatcher—also one of the two municipal districts of the town bears his name.

Before leaving the isthmus, after Arraijan, Mr. Thatcher found time to visit the widely known island of Barro Colorado, a game refuge under the supervision of the Smithsonian Institution, where science is making substantial headway in the study of the native flora and fauna. The island is in Gatun Lake, and was converted from high hill to island with the rise of water in the lake for canal purposes. After his return from Barro Colorado that afternoon, Mr. Thatcher visited the Star & Herald staff.

The story of Mr. Thatcher's benefactions for the canal, its employees, and the isthmus in general might go on and on. In Congress he was the author of the legislation that established a free ferry across the canal, at Balboa, and brought construction of a highway across the western section of the zone—links in the Inter-American Highway System. After 20 years of useful service, the ferry was replaced by the splendid bridge on the site of the ferry, the bridge connecting with the Thatcher Highway.

He was also, in Congress, the author of legislation creating the Gorgas Memorial Laboratory—operating with congressional appropriations—in Panama City, devoted to the study of the cause and prevention of tropical disease, human and veterinary. For more than a generation he has served the supervisory institution, the Gorgas Memorial Institute of Tropical Medicine, as Vice President, General Counsel, member of the Executive Committee and Board of Directors, capably and gratuitously. All the officers of the Institute serve with-

out compensation; and the Laboratory has developed into one of the outstanding institutions of research in the entire world. Since leaving Congress he has drafted, and has materially aided in the enactment of, legislation according to the builders of the Panama Canal—both U.S. civilians and aliens—annuities and retirement benefits—this, also, in gratuitous fashion. Last August he found time to visit the Laboratory, and note its progress under Director Dr. Martin D. Young and staff.

These and related services with respect to the canal and the isthmus, together with the fact that he is the sole surviving member of the Isthmian Canal Commission, which had charge of the building of the canal, and is regarded as a link with the construction era, and a symbolic figure of the present and past in that connection, and had also served the whole of his five terms in the House as an honored and effective member of the Committee on Appropriations, were considerations, I would say, that caused the Appropriations Committees of the two Houses of the Congress, with complete unanimity, to name, as Chairman Cannon stated to the House, the splendid new, free, \$20 million bridge across the canal on the Thatcher Ferry site, the Thatcher Ferry Bridge, in his honor. All this, also, has caused him—as the Star & Herald states—to be called "The grand old man of the Panama Canal."

Upon the occasion of the indicated celebration the newspapers of Panama—both English and Spanish—were very kind to Mr. Thatcher in their editorials and news stories; and, under unanimous consent at the conclusion of these remarks, I include some of these, together with the fine tribute in the Journal of Commerce, New York, written by the distinguished chairman of the Panama Canal Subcommittee, Committee on Merchant Marine and Fisheries, Mrs. LEONOR K. SULLIVAN, as follows:

[From the La Estrella de Panama, Aug. 3, 1964]

MR. MAURICE H. THATCHER, GREAT FRIEND OF PANAMA

[Translated from Spanish text]

For more than 50 years, Mr. Maurice H. Thatcher, distinguished North American lawyer, a resident of the city of Washington, has been demonstrating a sincere and unselfish affection for our country, as clearly revealed on numerous occasions. Arriving in Panama in 1910 as a member of the Isthmian Canal Commission, he took over the duties of Governor of the Canal Zone; and one of his later interests as Congressman was to obtain the construction of a highway to Arraijan, which from that time bears his name, and the installation of a ferry service across the Canal, which is also known as the Thatcher Ferry. It was used for a long time, even up until the inauguration of a ferry service across the canal, which is also officially named for him (Thatcher Ferry Bridge).

Having a special fondness for the city of Arraijan, which he often visited, Mr. Maurice H. Thatcher endowed it with a magnificent parcel of land which he equipped, in addition, with valuable equipment for a children's playground (Parque Infantil Thatcher). Moreover, he donated to Guillermo Andrewe School a series of medals as prizes for pupils excelling in the study of

the English language. The official conveyance of this park to the people of Arraijan took place in November 1958 in a special ceremony of moving simplicity, held on the occasion of a visit to Panama by Mr. Thatcher. Many officials of the National Government took part in this ceremony with Mr. Thatcher and his wife. Mr. Thatcher, speaking in English, and his wife, in Spanish, presented to the community of Arraijan the children's playground, which we have just mentioned, as a demonstration of sentiment toward them. This gesture will be remembered tenderly through time and space.

At a future date (August 15, 1964), on the occasion of the commemoration of the 50th anniversary of the canal, Mr. Thatcher has been invited to come to Panama to participate in the celebration, not only because of the special bonds of this illustrious North American with the canal and the above-mentioned works, and because of his outstanding prestige, but also because of his ever-present desire to visit our country, and thus renew personal relations with his many friends here.

Without any doubt Mr. Thatcher will want to return to Arraijan and see what use has been made of the playground which he donated, and the condition it is in. It is to be expected that the authorities in that district will take an interest so that this gentleman is not disappointed, since it would be regrettable that a gift so cordially given could not have been preserved in proper condition. At the same time, we should not forget that this illustrious and venerable gentleman, Mr. Thatcher, has been one of the best friends that we have in the United States for more than half a century.

[From the Panama Star & Herald, Aug. 19, 1964]

THATCHER RETURNING TO STATES AFTER VISIT

Maurice H. Thatcher, the grand old man of the Panama Canal, returns today to Washington after a busy week's visit on the isthmus to attend the celebration of the 50th anniversary of the waterway.

Despite his 94 years, Mr. Thatcher has set a pace that has taxed men much younger than he. Yesterday was a typical day.

On a visit to Barro Colorado Island, in Gatun Lake, he climbed 210 steps to the top of the island. Throughout the trip, he amazed his companions by his sharp recollection of names, dates and details of incidents during his period of service with the Isthmian Canal Commission from 1910 to 1918.

Back from the island, he asked to be brought to the offices of the Star & Herald to call on Star & Herald Vice President Alejandro A. Duque, Editor Emeritus Albert V. McGeachy, and Editor Luis Bunting, all of whom he has known personally because of his long association with Panamanian affairs. He had previously called on Publisher T. Gabriel Duque, who is a patient in Gorgas Hospital.

He made the visit to this newspaper accompanied by Justo Fabio Arosemena, whose father, Fabio Arosemena, a founder of the Republic, was a close friend of Mr. Thatcher.

At the home of Mr. and Mrs. Samuel Lewis he had met with a large number of his Panamanian friends. The day before he had visited Arraijan, which many years ago proclaimed him a "favorite son" in recognition of his services.

To friends who marvel at his spryness, Mr. Thatcher does not hesitate to impart his secret: He keeps his vegetarian diet, works every day and lives in gratefulness to the Lord for his friends.

The accomplishments of Mr. Thatcher in connection with the Panama Canal were set forth in the book "The Makers of the Panama Canal," published in 1911, a compilation by

F. E. Jackson & Son. About Mr. Thatcher, the book said:

"As a member of the Isthmian Canal Commission and head of the Department of Civil Administration, the U.S. Government had in Maurice H. Thatcher, a man who is splendidly equipped for the exacting position he fills. It is no light task to be Governor of the Canal Zone, and to have in hand the civil administration of its widely varied interests. Not only does he have supervision and oversight of the division of police and prisons, fire protection, customs and taxes, roads and streets, water supply and plumbing, postal affairs and schools; he has supervision also over the street, water and sewer systems of the Panamanian cities of Panama and Colon; and he is the official channel through which must flow all communications with the Republic of Panama for or on behalf of the Isthmian Canal Commission or the Canal Zone Government.

"The reader will readily see that whoever successfully attends to all these details must be, in the fullest measure, an all-around man. No one better understood this than President Taft, who had handled similar matters in the insular possessions of the United States, and, when it became his duty to select a successor to Governor Blackburn as head of the Department of Civil Administration, he picked his man with the utmost care. He sought to find in one person a rare combination of legal and executive ability, unquestioned integrity, coupled with untiring energy, and loyalty to the great isthmian enterprise. When he had satisfied himself that in Mr. Thatcher he had found this combination of qualities he tendered the appointment to Mr. Thatcher; and no greater compliment will ever be paid to the latter than this appointment at the hands of President Taft. The best part of it, however, is that Mr. Thatcher is in every way justifying the wisdom of the President's selection. His administration of zone affairs has been highly successful from the beginning.

"During his incumbency the schools of the Canal Zone have been consolidated and their efficiency greatly increased; a system of grading zone prisoners has been formulated and installed with beneficial results; roads, streets, trails, and other public improvements in the zone have gone forward as rapidly as public funds permitted; the work of the police and fire divisions has been marked by the highest efficiency; law and order among the 80,000 people of the zone, made up of nearly every race and tongue on the globe, have been maintained while the great work of 'digging the ditch' has proceeded; throughout the various divisions and branches making up the Department of Civil Administration, strict economy in the expenditure of public funds has been practiced, and such expenditure has been judiciously made. In short, Mr. Thatcher has met every obligation imposed on him by the important duties of his position and has made a record of which his friends are justly proud.

"All this might have been safely predicted from Mr. Thatcher's past career, for he had long acquired the habit of making good. He has lived a life of usefulness and struggle. He has served his fellow men in various capacities, always bringing to the public service that high ideal of duty which lifts official place above the mire of politics.

"Mr. Thatcher, who is the youngest member of the Commission, was born in Chicago, Ill., the son of John C. Thatcher and Mary T. (Graves) Thatcher. His father was a native of Connecticut and his mother was born in Tennessee, and reared in St. Louis. In his veins, therefore, there flows the mingled strain of northern and southern blood. He was reared in western Kentucky, in Butler County. Upon attaining his majority he was elected clerk of the circuit court of that

county, holding the office until June 1896, when he resigned it to accept an important position in the State auditor's department at Frankfort, the capital of the State. At Frankfort, he completed his legal studies, theretofore begun, and in 1898 was examined by judges of the Kentucky Court of Appeals, and admitted to the practice of law. He was thereupon appointed assistant attorney general of Kentucky and served in that position with marked efficiency until he resigned in the early part of 1900. In that year he located in Louisville, Ky., and entered upon the general practice of his profession. In the following year he was appointed assistant U.S. attorney for the district of Kentucky, and on July 1, 1901, he was named assistant U.S. attorney for the western district of Kentucky, upon the division of the State into two Federal districts. He filled this position with characteristic fidelity and efficiency, achieving an enviable reputation as public prosecutor. On August 1, 1906, he resigned this office, and again entered the general practice of his profession in Louisville. His efficiency as a public officer had been such, however, that in March 1908 he was urged by the Governor of the State to accept the chief appointive office of the State, viz: that of State inspector and examiner; and at a personal sacrifice he accepted the appointment because he saw in it great opportunity for useful public service. By his thorough investigation of public offices and institutions of the State he lifted his office out of the ruck of politics, recovering for the Kentucky State treasury thousands of dollars of public revenues, and bringing about in the public offices and institutions of the State many greatly needed reforms. It is said that in Kentucky, his administration of the affairs of this office has made it impossible for political appointments to be made to it in the future; that whoever follows in his wake must give public service of the highest order. Mr. Thatcher held this position until he assumed the duties of his present office in May 1910.

"Mr. Thatcher is an indefatigable worker and student. In addition to his capabilities as a lawyer and executive he is an earnest and forceful speaker. His tact, patience, and persistence are proverbial. In his habits and sympathies he is thoroughly democratic. Any man, however humble, can approach him, and is treated with the same respect and kindness as if he were a man of place or power. Authority has not corrupted him, but is only recognized and treated as an opportunity for useful service. The simplicity and earnestness of character that have distinguished him in the past yet distinguish him. His discharge of public duty has always been marked with the utmost fairness and frankness; and these qualities have particularly endeared him to Panamanian officials and citizens. He is extremely popular with them."

[From the Journal of Commerce and Commercial, Aug. 14, 1964]

MR. PANAMA CANAL—EX-ZONE GOVERNOR RETAINS INTEREST
(By U.S. Representative LEONOR K. SULLIVAN¹)

A frequent visitor in my Washington office is a white-haired, wise, old gentleman who once served in the House of Representatives and who comes to see me periodically to plead the cause of the Panama Canal old times—the Roosevelt medalist pensioners who wrought the miracles which culminated with the opening of the canal exactly 50 years ago.

¹ The author, a Democratic Congresswoman from Missouri, is chairman of the Subcommittee on the Panama Canal of the House Committee on Merchant Marine and Fisheries.

He is Maurice H. Thatcher, a Kentuckian, who was civil Governor of the Canal Zone from 1910 to 1913, and a member of the Isthmian Canal Commission. To those of us in the Congress interested in the operation of the Western Hemisphere's greatest engineering achievement, and who never knew Teddy Roosevelt or Gorgas or Gaillard or Goethals, he is "Mr. Panama Canal."

It was on his 44th birthday that the Panama Railroad Company's twin-screw steamer, the *Ancon*, made the historic first transit of the canal. Today, exactly a half century later, as he celebrates his 94th birthday on August 15, he is a bridge for many of us to the beginnings of the great canal story.

NAMED FOR HIM

The word "bridge" is particularly apt in view of the fact that the magnificent bridge which now spans the Panama Canal is named for Maurice Thatcher.

Mr. Thatcher, I believe, is the only living American to serve in the Congress who actually had a hand in the building of the Panama Canal. But most Members of Congress, after learning something about the canal and its vital role in American and world commerce, soon begin to exhibit a personal pride in the canal, as if they, too, were Maurice Thatchers—as if they had personally participated in the canal's construction.

This is particularly true of those of us on the Committee on Merchant Marine and Fisheries, and of my subcommittee. No matter how often we visit the zone, we are newly impressed by the imagination in the canal's construction, and the importance of its mission in promoting commerce and peace. The Congress is traditionally far more jealous than the executive branch of our rights in the zone, and has demonstrated this on numerous occasions. The most recent notable instance was the restrictive rider on disposal of canal properties which we attached to the public works appropriation bill last December.

CONGRESS' ROLE

Congress has authorized expenditures of millions of dollars to assure that the present canal is operated at maximum capacity and efficiency, while at the same time continuing the search for the best solution for devising expanded transisthmian transit facilities. A new commission is now being created by Congress to translate past surveys into concrete engineering data. Congressional interest in the expansion of transiting facilities is comprehensive and bipartisan. The ultimate solution will undoubtedly reflect a combination of international political, as well as engineering, factors.

The present canal still has many years of vigorous life to it. Also, it might very well serve as the site for a sea level canal, if both the engineering and political complications to that end can be solved.

As we observe the 50th anniversary of the *Ancon's* journey through the great divide, all of us in the United States, in the Republic of Panama, and in all nations which benefit from the civilized flow of international commerce and trade, can be grateful for the spirit and courage and indomitable will and great skill of those who hacked the canal out of jungle and disease-ridden swamps. The whole world is in their debt.

Is it any wonder that I welcome so warmly the visits to my office of Maurice Thatcher?

THE POTOMAC

THE SPEAKER pro tempore. Under previous order of the House the gentleman from Maryland [Mr. MATHIAS] is recognized for 30 minutes.

MR. MATHIAS. Mr. Speaker, the Potomac River and its basin comprise one of the few great natural areas remaining on the eastern seaboard. From its source

in West Virginia near the southwest corner of Garrett County, Md., to the city of Washington, the Potomac is extraordinarily rich in natural beauty and historical significance. For over three centuries, the resources of the Potomac Valley have served the expanding population of the National Capital and the States of Maryland, Virginia, and West Virginia, providing water, land, and recreational opportunities.

This is an era of great growth for the Potomac region. Metropolitan Washington alone has boomed from 1,500,000 people in 1950 to 2 million in 1960, to an estimated 2,500,000 this year. This rate of population growth is expected to accelerate still further in the years ahead, bringing sharply rising demands on the Potomac Valley's water resources, and increasing pressure for urban development of the basin's land. If sensible, sensitive action is not taken soon, the future of the Potomac's natural and historical assets will be in serious jeopardy.

The people who live in the Potomac Valley, and who use and enjoy the river in so many ways, have a common interest in protecting it, and a very real desire to preserve it for themselves and future generations. Many individuals and organizations have gained vast knowledge of the Potomac, have acquired deep experience in studying and attacking its problems, and can make great contributions toward insuring its continued health.

On March 19 of this year, I sponsored a conference on the Potomac in an effort to discuss the river's future with those most intimately familiar with it. The meeting, held at the Antietam Battlefield, was attended by more than 200 persons, including concerned individuals and spokesmen for a wide range of conservation, agricultural, recreational, historical, and civic groups. Brig. Gen. Charles M. Duke, Engineer Commissioner of the District of Columbia, was in attendance, and the Governors of Maryland, Virginia, and West Virginia sent personal representatives. The Director of the National Capital Parks represented the Federal interest.

Mr. Speaker, I will request permission to insert in the RECORD following my remarks the minutes of the conference at Antietam, and a roster of those who attended.

From the presentations, discussion, and exchange of ideas at this conference, a consensus on several paths of action emerged. The following points gained especially strong support:

First. Prompt enactment of legislation to create a C. & O. Canal National Historical Park.

Second. The systematizing and extension of procedures for controlling water pollution.

Third. The cancellation of Corps of Engineers plans to erect a high dam at Seneca or anywhere else on the main stem east of Harpers Ferry, and cancellation of plans to construct other dams on certain tributaries of the Potomac.

Fourth. The close coordination of Federal, State, local, and private programs affecting the Potomac Valley.

In accordance with these guidelines, I am today introducing a new bill to establish a C. & O. Canal National Historical Park. The C. & O. Canal, stretching 180 miles along the Potomac from Washington to Cumberland, is both a priceless historical waterway and a precious natural asset. Its parks and paths will serve the growing need for recreation in the years ahead, and its preservation and maintenance should be assured. Throughout my service in the House, I have sponsored legislation to create this park, and I hope for the enactment of this bill in this Congress.

One particular step toward improving the recreational facilities of the canal is the reconstruction of dam No. 6, located southwest of Hancock, Md., between lock 55 on the Maryland side of the Potomac and Great Cacapon, W. Va., where the route of the canal enters the river for a few miles. I am today introducing a bill which would authorize \$60,000 for a preliminary engineering study directed toward the reconstruction of the dam. Rebuilding this dam would create a large pool in the river suitable for fishing, boating, and swimming, and would provide water to refill the canal in that area.

One of the most important historical park areas along the Potomac is the Harpers Ferry-Antietam region, the scene of so many stirring events of the Civil War. I am today introducing legislation which would permit the Secretary of the Interior to purchase up to 600 additional acres for the enlargement of the Antietam National Historical Battlefield. I have also recommended that the National Park Service investigate the possibility of purchasing the famous John Brown farm, 5 miles from Harpers Ferry, for incorporation into the Harpers Ferry National Historical Park. I hope that such initiatives as these might lead to the combining of the Harpers Ferry and Antietam park areas into a single system of expanded recreational opportunities and deep historical significance.

By far the most important aspect of Potomac development is the human aspect. Just as we must answer needs for clean water and good land, we must respond to human needs for open space, for beauty, for recreation and solitude. Often those who have lived along the river, and have worked and relaxed there, know best how these needs can be met. In many cases they have already shown how local and regional, private and public interests can be integrated with benefit to all. Thus I am proposing, as part of the creation of the C. & O. Canal National Historical Park, the establishment of a 17-member Advisory Commission. Eight members of this Commission would be chosen from persons recommended by the commissioners or boards of Allegany, Frederick, Washington, and Montgomery Counties. Eight members would be chosen from among persons recommended by the Governors of Maryland, Virginia, West Virginia, and Pennsylvania, while the Chairman of the Commission would be appointed by the Secretary of the Interior. Active oversight by such a committee would be one of our

best defenses against unwise, short-sighted, or uninformed park policies.

In considering the problems of the Potomac, it is important to remember that a significant portion of the basin is already in the public or quasi-public domain. In Maryland's Sixth Congressional District, for example, 166.5 square miles of land out of a total of 2,707 square miles are devoted to State-owned forests and parks. Federal parks occupy another 21.4 square miles, while counties, cities, towns, and regional commissions also have extensive holdings. In this era of urban expansion, it is especially important that such public lands continue to serve the long-range public interests. It is equally important to recognize and encourage the ownership and use of many, many square miles of undeveloped lands by private organizations dedicated to the public good. In many cases, such private groups have taken great initiatives in soil conservation, wildlife restoration, water quality control, and provision of recreational facilities.

Particular attention should now be paid to the programs and policies of local and private groups along the Potomac, for the Secretary of the Interior, in concert with the Commissioners of the District of Columbia and the Governors of the affected States, is now preparing a comprehensive Potomac plan. Elements of this plan will be discussed at a high-level conference called for next Monday, June 28.

I am today writing to Secretary Udall to express my hope that the following steps will be emphasized in the critical early stages of planning for the Potomac:

First. Opposition to construction of the Seneca Dam or any high dam on the river.

Second. Serious consultation with private organizations concerned with the Potomac. While a planning task force of nongovernmental professionals has been appointed, this group appears to focus primarily on metropolitan planning. There has been little evidence of extensive consultation with the many citizens' groups possessing such valuable knowledge and experience with Potomac recreation and conservation, and the many groups who own unique Potomac Valley lands. Their contributions should be sought, both before the Interior Department's plans have solidified, and at each stage of subsequent action. Toward this end, an annual public conference on the Potomac basin might be appropriate.

Third. Similar close coordination with local governments in the Potomac basin. The conservation and water resources plans of the many cities and towns along the river should be developed cooperatively, to avoid conflicts and duplications. Yet again there has been little evidence of direct consultation with informed local officials as part of the drafting of a comprehensive plan.

Fourth. Full liaison with the Appalachia Regional Development Commission. The Commission has already allocated funds for "quick start" highway construction, and will be implementing plans to attract new industry

and tourism to the upper Potomac basin. These efforts should certainly be integrated with the planning for the basin as a whole.

Fifth. Imaginative use of the most advanced techniques of soil conservation and water quality control. The Potomac could be a model and a testing ground for our most farsighted technology in these fields. For example, a demonstration project in the Potomac estuary might be undertaken by the Office of Saline Water.

These are just a few of the many resources available for the development and preservation of the Potomac. Yet its future can be secured only through comprehensive action based upon the working partnership of all who care about this mighty river. If such a partnership can be achieved, the Potomac of the future will indeed become a model of humane, intelligent, compassionate development.

The aforementioned material follows:

MINUTES OF THE POTOMAC RIVER CONFERENCE,
MARCH 19, 1965, ANTIETAM BATTLEFIELD
VISITORS CENTER

Congressman MATHIAS opened the meeting with a word of welcome. Senators BYRD, ROBERTSON, BREWSTER, and TYDINGS, Congressman SICKLES, and others sent their regrets because they could not be present. Justice William O. Douglas could not attend and sent his regrets.

Congressman MATHIAS said that the people who live in the Potomac Valley have a common interest and a very real part to play in this kind of project. He said that he has not yet introduced Potomac River legislation in the 89th Congress, and before doing so wants to get the views and suggestions of all interested persons and organizations. The President has expressed on several occasions his personal interest in what is to be done relative to the Potomac River. The Secretary of the Interior has given personal attention to Potomac problems. Interest is being shown at the highest possible levels of government.

The Federal park properties, including the Antietam Battlefield, the C. & O. Canal National Monument, and Harpers Ferry National Park, and others should be coordinated with that which is being done by the States and by private interests. What is sometimes forgotten, Congressman MATHIAS said, are the private interests and the private properties being dedicated to conservation and wildlife preservation. Everyone has a very active and a very real part to play in the active development of the Potomac Valley. Congressman MATHIAS said that the people of the Potomac Valley are as much a natural resource as any other part of the Potomac Valley. The people of the Potomac Valley should be a part of the coordinated valley plan which will be developing within the coming months. To put the whole project into proper perspective, Congressman MATHIAS invited representatives of the Federal Government and the adjoining States to speak.

Brig. Gen. C. M. Duke, Engineer Commissioner, District of Columbia, said that all are dedicated to the preservation of the beauty of the river. He said, too, that we want to prevent unnecessary encroachment in the basin and at the same time preserve the beauty for generations to come and to provide for their well being. Although all are in agreement on these factors, he said, the difference might arise as to how to carry them out. All factors must be considered thoroughly and he gave assurance that this is being done. He also said that it might be possible for those in the community to develop a set of plans which might guide the

Secretary of the Interior in the review he is now making.

Mr. Adna R. Bond, assistant State forester, State department of forests and parks, representing the State of Maryland, spoke on behalf of Governor Tawes. He discussed activities on the part of the State of Maryland in the Potomac watershed and described the contribution of forests to the welfare of people in the basin. He said, too, that it might be stated that people, Potomac, potential are all tied together and if joined correctly should equal progress. The interests of the department of forests and parks in the Potomac are: (1) Protection of forest areas; (2) management of woodlands so that they may serve multiple purposes; (3) reforestation of strip-mined areas and others; (4) administration of State-owned forest and park areas to provide recreational opportunities for society; (5) cooperation with other agencies, groups, and individuals in the coordinated development of the basin.

Mr. T. R. Samsell, chief, division of game and fish, West Virginia Department of Natural Resources, said that he can endorse the statements Mr. Bond has made for Maryland. West Virginia has the same interests. The Potomac has been the vital recreational area. The plans for West Virginia include continuing the advance of the recreational aspect and maintaining pollution control.

Mr. E. W. Ramsey, ground water specialist, department of conservation and economic development, division of water resources, representing the State of Virginia, expressed the regrets of Mr. Alexander and Mr. Sutherland who could not attend. He described the interests of Virginia in activities as they affect the watershed in the Shenandoah Valley and indicated that studies are underway relating to the Potomac watershed on the downstream part of the river, opposite Washington, D.C., and Maryland.

Mr. Orville Crowder, secretary, C. & O. Canal Association, Washington, D.C., spoke on behalf of the canal association. He expressed interest in the Potomac River as an example of a great historic and scenic waterway of economic importance in the lives of millions of people. Looking beyond this, there should be strong emphasis on the natural and the esthetic. These efforts are saluted with great enthusiasm. Because of the common interest of so many, he suggested some organization which would develop out of all the common interests for the valley and expressed the hope that there might be some sort of continuing thread of activity which could represent the people who are interested in the valley as a whole and who are interested in the preservation and protection of it.

Mr. T. Sutton Jett, Director, National Park Service, Washington, D.C., brought the regrets of the Secretary of the Interior who could not attend. He said that the Secretary understands and feels, and has asked him to say, that a great Potomac River project will not be realized without the support of many special interests. The Secretary, and representatives, toured the area just a couple of weeks ago looking at some of the special problems on the river, and he expressed the hope that the Potomac River Valley may someday become a great area richly preserved which will afford a national scene as well as the great history it represents. He hopes that it will become the model river. It is also hoped that something acceptable to the people throughout Maryland, Virginia, and West Virginia and throughout the Nation will evolve.

Congressman MATHIAS then mentioned some of the others attending the meeting: A. Trago Brust, who represents industry; Mayor James Cummings, of Brunswick; Councilman J. Henry Hiser, of Montgomery County; and former Congressman Clifford McIntyre, representing the American Farm Bureau.

At the request of Congressman MATHIAS, Mr. Brust took the chair at this point and in his opening remarks said that this is undoubtedly the era of joint efforts in conservation. He said that the important thing to take into account is the industrial use of water which provides the opportunity for a great many jobs and can be consistent with sound conservation practices. At this point, Mr. Brust called on various individuals who stated the views of their organizations and their own opinions.

Among those who expressed their views, and those of their organizations, relative to pollution, the proposed Seneca Dam, preservation of natural beauty of the river, development of recreational and scenic areas, preserving the C. & O. Canal, proper zoning of the land, necessity of cooperation of State, local, and governmental agencies, importance of agriculture, sportsmen's activities, necessity of consideration of the drought cycle, restoration of Old Aqueduct at Williamsport, recommendation of a comprehensive river basin authority, and many other related factors of importance to the Potomac Valley, were:

Dr. Spencer M. Smith, Jr., secretary, Committee on Natural Resources, Washington, D.C.

Mr. Carl J. Johnson, executive director, Interstate Commission on the Potomac River Basin, Washington, D.C.

Anthony Wayne Smith, Esq., president and general counsel, National Parks Association, Washington, D.C.

Mr. G. M. VanHoesen, president, Maryland State division, Izaak Walton League, Takoma Park, Md.

Mr. Harry L. Powers, Jr., chairman, national affairs, National Wildlife Federation, Washington, D.C.

Mr. Creed D. Slons, West Virginia division, Izaak Walton League of America, and superintendent of schools, Grant County, Petersburg, W. Va.

Mr. Robert Harrigan, treasurer, Citizens Council for a Clean Potomac, Washington, D.C.

Mr. Kenward K. Harris, chairman, Citizens Council for a Clean Potomac, Silver Spring, Md.

Mr. Don A. Emerson, professor of biology, State College, Frostburg, Md.

Mr. Henry S. Landis, national director of Ruritan National, Point of Rocks, Md.

Mr. William C. Davies, Coordinating Committee on the Potomac, Falls Church, Va.

Mr. Glenn C. Weldon, vice president, Virginia division, Izaak Walton League, McLean, Va.

Mr. James E. Zerkel, president, Virginia Wildlife Association, Mount Jackson, Va.

Mr. Grant Conway, Appalachian Trail Conference, board of trustees, National Parks Association.

Mr. G. A. Biggs, president, Pennsylvania Farmers Association, McConnellsburg, Pa.

Mr. Bill Boyd, Water Ski Club, Seneca, Md.

Mr. R. Earl Dungan, Water Ski Club, Rockville, Md.

Mr. R. Edwin Brown, Dickerson, Md.

Mayor James E. Cummings, Brunswick, Md.

Mr. Edwin M. Dale, superintendent, C. & O. Canal National Monument.

Mr. J. W. Penfold, conservation director, Izaak Walton League of America, Washington, D.C.

Mr. Bill Miller, assistant to Senator Brewster, Washington, D.C.

Mr. John Henry Hiser, Montgomery County, Chevy Chase, Md.

Mr. Francis Silver, county surveyor, Berkeley County, Martinsburg, W. Va.

Lt. Col. Vincent J. Ferricelli, U.S. Army Engineers, Baltimore, Md.

Mr. Bob Young, Maryland National Capital Park and Planning Commission, Wheaton, Md.

G. Victor Cushwa, vice president, C. & O. Canal, Williamsport, Md.

Mr. George R. Heidrich, West Virginia State Soil Conservation Committee, Charles Town, W. Va.

Mr. H. B. Turner, Citizens Council Association, North Fork of the Shenandoah River, Fulks Run, Va.

Mrs. Margaret Kilpatrick, Path Valley Citizens, Richmond Furnace, Pa.

Mr. J. Lin Huber, South East Pennsylvania Citizens Commission.

Mr. R. T. Reppert, Natural Resources Institute, University of Maryland, LaVale, Md.

Mr. Donald Frush, FKD Sportsmen's Club, Inc., Hagerstown, Md.

Mr. Arlo D. Anderson, the Moyaone Association, Accokeek, Md.

Mr. John Foley, South Connellsville Lumber Co., Connellsville, Pa.

After some informal discussions at this point, Congressman MATHIAS again expressed his thanks to all for coming and for giving him the benefit of their views. He stated that he intends to introduce a Potomac River bill which will be based on some of the recommendations of those at the meeting.

The meeting adjourned at 4 p.m.

LIST OF PERSONS ATTENDING THE MEETING

Mr. Robert W. Abraham, Route 2, Thurmont, Md., Maryland Game and Inland Fish Commission.

Mr. M. L. Adams, Rippon, W. Va.

Mr. John C. Alles, Hampshire County, W. Va., Committee on Potomac River.

Mr. Walter F. Albert, Brunswick, Md.

Mr. Arlo D. Anderson, the Moyaone Association, Accokeek, Md.

Mr. Jacob M. Ankeney, supervisor, conservation, Washington, D.C.

Mr. L. B. Backus, Armory House (store), Harpers Ferry, W. Va.

Mr. S. George Barnett, Brunswick, Md.

Mr. Elmo R. Bennett, Martinsburg, W. Va.

Mr. Nelson Bevard, Maryland Game and Fish Commission.

Mr. G. A. Biggs, president, Pennsylvania Farmers Association, McConnellsburg, Pa.

Mrs. Ruth E. Blackburn, Potomac Appalachian Trail Club, 1916 Sunderland Place NW., Washington, D.C.

Mr. Harry C. Bodie, planning commissioner, Post Office Box 265, Brunswick, Md.

Mr. Adna R. Bond, Maryland Department of Forests and Parks, Annapolis, Md.

Mr. William O. Boothe, Carroll County Soil Conservation District.

Mr. Fred A. Bowers, Potomac Shores, Inc., Frederick, Md. (Weverton, Md.).

Mr. Bill Boyd, Water Ski Club, Seneca, Md.

Dr. K. E. Bromfield, 522 Military Road, Frederick, Md. (Monacacy Canoe Club).

Mr. R. Edwin Brown, R. E. Brown Building, Rockville, Md.

Mr. A. T. Brust, West Virginia Pulp & Paper Co., Luke, Md.

Mr. James L. Bryan, Blade Time, Brunswick, Md.

Mr. L. C. Burns, Soil Conservation Service, Carroll County, Westminster, Md.

Mr. C. V. Bush, West Virginia Member Interstate Commission-Potomac River Basin.

Mr. F. Bennett Carter, Centreville, Md.

Mr. Charles A. Chaney, engineer, 7240 Wisconsin Avenue, Bethesda, Md.

Mr. W. Philip Childs, chairman, planning commission, Brunswick, Md.

Mr. Louis S. Clapper, 1412 16th Street NW., Washington, D.C.

Mr. C. Cline, game warden.

Mr. Robert C. Glingan and Mary Tuter Clingan, Potomac Shore Inc. (camp) Taneytown, Md.

Mr. and Mrs. Grant Conway, 8032 Broad Street, Washington, D.C., Appalachian Trail Conference, board of trustees, National Parks Association, former president of C. & O. Canal Association.

Mr. Clyde A. Creek, Jr., Western Maryland Wildlife Federation, 243 Nottingham Road, Hagerstown, Md.

Mr. Charles M. Cronauer, Washington County Commission, 2022 Gay Street, Hagerstown, Md.

Mr. Orville Crowder, 119 Third Street NE., Washington, D.C., C. & O. Canal Association (secretary), American Youth Hostels (national board), World Nature Group (acting chairman).

The Honorable James E. Cummings, the mayor of Brunswick, Md.

Mr. G. Victor Cushwa, Cloverton, Williamsport, Md., Maryland Geology Commission, vice president, Williamsport, Md., C. & O. Canal.

Mr. Edwin M. Dale, superintendent, C. & O. Canal National Monument, 120 North Potomac Street, Hagerstown, Md.

Mr. E. Donald Darr, town clerk, Brunswick, Md.

Mr. William E. Davies, Coordinating Committee on Potomac (a member of the Northern Virginia Regional Park Authority), Post Office Box 234, Annandale, Va.

Mr. Julien P. Delphey, 140 West Patrick Street, Frederick, Md.

Mr. Walter Denny, NACD area vice president.

Mr. Frank J. Dice, Route 4, Chambersburg, Pa., Pennsylvania Farmers Association.

Mr. Garnet Dice, Route 4, Chambersburg, Pa., farmer.

Mr. E. C. Dimming, Chambersburg, Pa., Inter State Mills Producers Corp.

Mr. S. J. Donley, the Potomac Edison Co., Hagerstown, Md.

Mr. and Mrs. Ralph H. Donnelly, president, Hancock C. & O. Canal Club, Hancock, Md.

Mr. William L. Drevo, architect and planning consultant, Washington, D.C.

Brig. Gen. C. M. Duke, Board of Commissioners, Washington, D.C.

Mr. Robert Earl Dungan, 1032 Welsh Drive, Rockville, Md., Mid-Water Ski Federation.

The Honorable Merton F. Duvall, the mayor of Gaithersburg, Md.

Mr. Philip Ebersole, the Daily Mail, Hagerstown, Md.

Mr. Don A. Emerson, professor of biology, State College, Frostburg, Md.

Mr. George C. Evans, Frederick County Fish and Game Association, 413 Lee Place, Frederick, Md.

S. B. Findale, Martinsburg, W. Va.

Mr. L. F. Fiorita, Maryland game warden, Hancock, Md.

Mr. William Floyd, 214 Brooks Avenue, Gaithersburg, Md., Seneca Ski Bees-Water Ski Club.

Mr. John J. Foley, South Connellsville Lumber Co., Connellsville, Pa.

Mr. William E. Forrest, U.S. Geological Survey, Water Resources Division, 724 York Road, Towson, Md.

Dr. Walter D. Foster, Monacacy Canoe Club, 406 Magnolia Avenue, Frederick, Md.

Mr. Richard E. Frederick, clerk to the Montgomery County Council, Courthouse, Rockville, Md.

Mrs. Judson C. French, conservation chairman, National Capital Garden Club League, Inc., 5810 Ipswich Road, Bethesda, Md.

Quentin V. Frey, councilman, Gaithersburg, Md.

Donald R. Frush, FKD Sportsmen, Inc., 1002 Woodland Way, Hagerstown, Md.

Kathryn Fulkerson, 119 Third Street NE., Washington, D.C. (P.A.T.C. and C. & O. Canal).

Mason P. Gigeous, Potomac Fish & Game Club, 41 North Conococheague, Hagerstown, Md.

William B. Gross, Brunswick, Md.

Mr. and Mrs. Henry W. Grove, Star Route 1, Shippensburg, Pa. Pennsylvania Farmers Association.

George S. Gutsell, Martinsburg, W. Va.

Mrs. Jesse F. Hakes, Federated Garden Clubs of Maryland.

William E. Harman, Maryland Game and Inland Fish Commission, Accident, Md.

Mr. Robert Harrigan, 5113 Wehawken Road, Washington 16, D.C.

Mr. Kenward K. Harris, chairman, Citizens Council for a Clean Potomac, 14450 Homecrest Road, Silver Spring, Md.

Mr. George R. Heidrich, Charles Town, W. Va.

Mr. Harold E. Henry, FKD Sportsmen's Club, Inc., 1018 Rose Hill Avenue, Hagerstown, Md.

William C. Hill, Ijamsville, Md.

Herbert S. Hiller, the Nature Conservatory, 2039 K Street NW., Washington, D.C.

John H. Hiser (Henry), 8026 Glendale Road, Chevy Chase, Md.

Mrs. P. L. Hockman, 1755 Preston Road, Hagerstown, Md.

O. H. Hoffman, Jr., Hampstead, Md.

James E. Honan, general manager, Interstate Milk Producers Co-op, 401 North Broad Street, Philadelphia, Pa.

J. Lin Huber, Southeast Pennsylvania Citizens Commission.

T. Sutton Jett, Director, National Park Service, Washington, D.C.

Carl J. Johnson, executive director, Interstate Commission on the Potomac, 203 Transportation Building, 815 17th Street NW., Washington, D.C.

James W. Johnston, Jr., representing Canoe Cruisers Association, 217 North Wayne Street, Arlington, Va.

Robert L. Jones, extension agent, Westminster, Md.

Harry T. Kaufmann, secretary, Dairy Council, Inc.

E. R. Kell, Soil Conservation Service, College Park, Md.

Guy S. Kidwell, Woodmont Rod & Gun Club, 16 East Antietam Street, Hagerstown, Md.

Mrs. Margaret Kilpatrick, Path Valley Citizens, Richmond Furnace, Pa.

Malcolm E. King, Maryland Department of Game and Inland Fish, State office building, Annapolis, Md.

William E. King, president, Western Maryland Sportsmen's Club, Hagerstown, Md.

George W. Kline, C. & O. Canal Association, 106 North 14th Street, Frederick, Md.

Edwin M. Klitch, radio station WFMD, Frederick, Md.

Fred M. Kramer, architect, planning consultant, Washington, D.C.

Henry S. Landis, national director, Ruritan National, Point of Rocks, Md.

William D. Lawson, Bureau of Sport Fisheries and Wildlife, room 3242, Interior Building, Washington, D.C.

Sterling J. Leister, Carroll County Soil Conservation District.

Mrs. Evelyn Leonard, radio station WFMD, Frederick, Md.

Guy E. Lerner, department of water resources, State of Maryland.

H. J. Lipscomb, 124 East Melrose Avenue, Baltimore, Md.

David W. Litton, R.F.D. 1, Boonsboro, Md., Interstate Milk Producers.

Isaac T. Long, secretary, Oldtown Sportsmen Club, Oldtown, Md.

Clarence S. Makec.

Robert O. Manitz, National Rural Electric Co-op Association, Washington, D.C.

Virginia M. Marrone, Potomac Shore, Inc., Frederick, Md.

Elmer C. Martinson, Northeast Regional Office, National Park Service, 143 South Third Street, Philadelphia, Pa.

The Honorable Clifford G. McIntire, director, department of natural resources, American Farm Bureau Federation, Washington, D.C.

Walter A. McKinney, Route 1, Thurmont, Md., Frederick County Sportsman's Council.

David C. Meadows, Monacacy Canoe Club, Frederick, Md.

John M. Meloney, eastern regional director of American Youth Hostels, Inc., 14 West Eighth Street, New York City.

Albert R. Miller, Jr., Maryland State Planning Department.

Bill Miller, assistant to Senator BREWSTER.

H. E. Miller, Jr., Sharpsburg, Md.

B. J. Morgan, Route 1, Boonsboro, Md.

Ann Murray, Girl Scouts Council of Nation's Capital.

Aaron Myers, Dev. Co., Lancaster, Pa.

W. Lester Nalley, 1907 Virginia Avenue, Hagerstown, Md.

Bradley D. Nash, Harpers Ferry, W. Va.

George Nay, News Post, Frederick, Md.

R. J. Neugebauer, 1412 16th Street NW., Washington, D.C., National Wildlife Federation.

M. K. Newcomer, Route 5, Chambersburg, Pa., director of Interstates Mills.

S. R. Pancake, Hampshire County, W. Va., Committee on Potomac River.

Woodrow W. Parsons, Box 391, Martinsburg, W. Va.

Albert Paye, city engineer, Cumberland, Md.

J. W. Penfold, conservation director, 320 Bond Building, Washington, D.C., Izaak Walton League.

Mrs. Lady H. Penfold, Izaak Walton League.

Lt. Col. Vincent J. Perricelli, Corps of Engineers, U.S. Army Engineers District, Baltimore, Md.

A. W. Phillips, W. D. Byron & Sons, Inc., Williamsport, Md.

Eber H. Pisle, Chambersburg, Pa.

Albert M. Powell, Route 3, Frederick, Md.

Harry L. Powers, Jr., chairman of national affairs, N.W.F., Washington, D.C., Hancock, Md.

Jay N. Price, Montgomery County Government, Courthouse, Rockville, Md.

E. W. Ramsey, Virginia Division of Water Resources, Richmond, Va.

R. T. Reppert, University of Maryland, Nat. Res. Inst., LaVale, Md.

Paul Rhoads, Jr., Frederick County Fish and Game Association, Frederick, Md.

Terry A. Ringler, Soil Conservation Service, 1600 Oak Hill Avenue, Hagerstown, Md.

Max K. Robison, 1708 Wabash Avenue, Hagerstown, Md.

Massey H. Roe, 34 Moller Parkway, Hagerstown, Md.

Daniel J. Rohrer, Wash. Co. Ec. Dev. Commission, Courthouse, Hagerstown, Md.

Clyde Rowe, Hagerstown, Md.

John L. Rusle, Cacapon Club, Great Cacapon, W. Va.

Ralph M. Ryan, secretary, Cacapon Club, Inc., 74 Lincoln Street, Uniontown, Pa.

T. R. Samsell, West Virginia Department of Natural Resources, 1800 Washington Street, Charleston, W. Va.

James H. Schamel, 904 East C Street, Brunswick, Md.

Harry E. Schwarz, U.S. Army Engineers District, Baltimore, Md.

George B. Shields, director, State department of game and inland fish, State Office Building, Annapolis, Md.

James J. Shirey, W. D. Byron & Sons, Inc., Williamsport, Md.

Francis Silver, survey of Berkeley County, Martinsburg, W. Va.

C. D. Slons, superintendent of schools, Grant County, Petersburg, W. Va.

Anthony Wayne Smith, Esq., president and general counsel, National Parks Association, 1300 New Hampshire Avenue NW., Washington, D.C.

Art Smith, Washington, D.C.

Dr. Spencer M. Smith, Jr., secretary, Citizens Committee on Natural Resources, 1346 Connecticut Avenue, Washington, D.C.

Donald S. Sobiorck, Morning Herald, Hagerstown, Md.

Randall Spaulein, Carroll County Conservation District.

Donald L. Spickler, Route 1, Clear Spring, Md.

Ralph W. Stauffer, Jr., Brunswick, Md.

Rufus E. Stetson, Jr., Izaak Walton League, BCC chapter.

Phillip J. Stone, Potomac Appalachian Travel Club, Washington, D.C.

A. R. Thompson, Jr., president, Virginia division, Izaak Walton League of America.

Charles E. Troxell, 631 Schley Avenue, Frederick, Md.

H. B. Turner, chairman, Citizens Council Association, North Fork Shenandoah River, Fulks Run, Va.

Ed Turney, WMAL Radio-TV, Washington, D.C.

G. M. VanHoesen, president, Maryland State division, Izaak Walton League, 7300 Willow Avenue, Takoma Park, Md.

Fred C. Vantz, president, Western Maryland Wildlife Federation, Hancock, Md.

A. O. Vernon.

Dr. Stanton J. Ware, 8405 Westmont Terrace, Bethesda, Md.

Glenn C. Welden, first vice president, Virginia division, Izaak Walton League, 6611 Denny Place, McLean, Va.

Mary Williamson, secretary, Kenna chapter, Izaak Walton League of America, Falling Waters, W. Va.

Bob Young, Maryland National Capital Park and Planning Commission, park naturalist, 1901 Henderson Avenue, Wheaton, Md.

James E. Zerkel, Virginia Wildlife Federation, Mount Jackson, Va.

Melvin L. ———, president, Williamsport C. & O. Canal Club, Williamsport, Md.

range could not handle the numbers of elk and these animals would starve to death. In a letter from the Assistant Secretary of the Interior dated October 25, 1962, he said:

This year, the total reduction target is 1,800 elk by all of the methods described above. If the rangers have to shoot any part of that total, American Indian people will get all of the meat. The tribes are already requesting more meat than we could furnish, even if all 1,800 elk were killed inside the park.

The other methods of reduction referred to in the quotation above include hunting outside the park and live trapping for transplanting and research studies.

From this statement, there would be little doubt that the meat from these animals would go to serve a vital need. Again, "American Indian people will get all of the meat."

By letter of January 25, 1963, I was advised by Mr. Jackson Price, Assistant Director of the National Park Service, that the reduction program was underway and on January 21, "240 elk had been killed and the meat distributed to the Indian tribes." Again, since the Service could not be talked out of reducing the herd by this wholesale slaughter, at least the Indian tribes are going to get all of the meat.

On January 31, 1963, Secretary Udall issued a press release to the effect that "reduction" was nearing an end and then said:

Carcasses of all elk killed in the park have gone to American Indian tribes to supplement their meat diets. The meat from the additional laboratory specimens will also go to the Indians. Secretary Udall added that even if all 1,800 animals had been turned over to Indian tribes, the tribal request would still have exceeded the reduction program's capability of providing elk meat.

It would appear that the Department wanted to leave the impression that the Indians, though not responsible for the slaughter, were going to be the beneficiaries. Certainly, the meat was not going to be wasted.

Perhaps the most self-serving document in my file attempting to justify what was done is a copy of the minutes of the Interagency Cooperative Elk Management meeting. This meeting was held in Yellowstone Park on May 22, 1963.

At one point in the report, the Park Service was commended for "achieving their goal against almost insurmountable obstacles." The report must have been referring to the American people and to the Congress. I know all Members of Congress from the area affected were strongly opposed to the procedures being followed.

In this report, however, was another interesting quote from the then Superintendent of the Crow Indian Reservation, Mr. Otto K. Weaver, who, the report said, "spoke for the Crow Tribe." Mr. Weaver said:

The Crow made good use of the meat, hide, and antlers from the direct reduction program and refuted newspaper accounts of damaged meat, saying that out of the 147 animals, only one-quarter was ruined by gunshot.

range could not handle the numbers of elk and these animals would starve to death. In a letter from the Assistant Secretary of the Interior dated October 25, 1962, he said:

This year, the total reduction target is 1,800 elk by all of the methods described above. If the rangers have to shoot any part of that total, American Indian people will get all of the meat. The tribes are already requesting more meat than we could furnish, even if all 1,800 elk were killed inside the park.

The other methods of reduction referred to in the quotation above include hunting outside the park and live trapping for transplanting and research studies.

From this statement, there would be little doubt that the meat from these animals would go to serve a vital need. Again, "American Indian people will get all of the meat."

By letter of January 25, 1963, I was advised by Mr. Jackson Price, Assistant Director of the National Park Service, that the reduction program was underway and on January 21, "240 elk had been killed and the meat distributed to the Indian tribes." Again, since the Service could not be talked out of reducing the herd by this wholesale slaughter, at least the Indian tribes are going to get all of the meat.

On January 31, 1963, Secretary Udall issued a press release to the effect that "reduction" was nearing an end and then said:

Carcasses of all elk killed in the park have gone to American Indian tribes to supplement their meat diets. The meat from the additional laboratory specimens will also go to the Indians. Secretary Udall added that even if all 1,800 animals had been turned over to Indian tribes, the tribal request would still have exceeded the reduction program's capability of providing elk meat.

It would appear that the Department wanted to leave the impression that the Indians, though not responsible for the slaughter, were going to be the beneficiaries. Certainly, the meat was not going to be wasted.

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SPOILED WILD GAME

The SPEAKER pro tempore. Under previous order of the House the gentleman from Montana [Mr. BATTIN] is recognized for 15 minutes.

Mr. BATTIN. Mr. Speaker, I am compelled to call to the attention of the House a very distasteful experience. It involves the Federal Government and our great wildlife resources. As our population has expanded, the wildlife of our country has had to retreat to smaller and smaller areas, and through the efforts of man and science we have learned a great deal about the proper methods of game management.

I am sure we all agree that waste in any form is bad and the waste by spoilage of elk and buffalo meat that has been slaughtered under a range and wildlife management program is inexcusable.

The story started many years ago but came to a head in late 1962 and early 1963. In order to reduce the number of elk in Yellowstone National Park, the Park Service started a virtual indiscriminate slaughter of this noble animal.

The mail started to pour into my congressional office here in Washington and citizens from Montana and all over the country expressed their indignation.

The number of complaints reached such proportions that Congressman WAYNE ASPINALL, chairman of the House Committee on Interior and Insular Affairs, approved hearings by a subcommittee to be held in Bozeman, Mont.

Congressman RALPH RIVERS, of Alaska, chaired the hearing and I was privileged to be asked to sit in and participate in the questioning. We were told the killing of the elk in the park was the "humane" way to handle the problem. The

During the 1962-63 period, according to the report, 404 elk were shot within the boundaries of Yellowstone Park. From the press releases and letters I have quoted above, one would believe that it was well handled, that only one-quarter of one animal was ruined by gunshot and that the American Indian was the beneficiary of what "had to be done."

Sometimes it takes quite a while to get the whole story.

In May 1965, almost 2 years later, 8,770 pounds of elk and buffalo were sold to a private concern for tankage at 2½ cents per pound. The meat was spoiled and could not be consumed by humans. It was to be made into dogfood, pigs feed, and fertilizer. So goes the way of nature's most noble hunting animal. Of the 8,770 pounds, 1,160 were buffalo meat, also part of a reduction program. Reports indicate that the meat had been field dressed after the kill and was dirty and contaminated from hair, and so forth. Further checking indicates that this was part of the slaughter of 1963 and has been in cold storage, frozen if you will, for about 2 years.

How does this coincide with the claims and flat statements made by those who tried to say this meat was being used and consumed, or as Secretary Udall said:

Even if all 1,800 animals had been turned over to the Indian tribes, the tribal request would still have exceeded the reduction program's capability of providing elk meat.

This type of action can only have the effect of casting doubt on pronouncements of agency officials and is certainly a dubious way to treat the American people. It is my belief that the American people can stand the truth and Government officials should give only factual information.

No one questions the need for good game management. In Montana, for example, before State officials will take elk transplants, they must be tested for brucellosis and other diseases that could cause harm to livestock, and buffalo, of course, cannot be transplanted. The reduction this year was handled in a much more satisfactory way. The animals that could not be transplanted were killed and dressed in a packing plant in Livingston, Mont., and the meat inspected and shipped. This, obviously, is the sanitary way in which to handle a problem of this kind.

Since this information has come into my hands and since the game animals have been spoiled and have to be sold for fertilizer, I am asking the subcommittee which held the original hearings to make an inquiry into this shameful situation.

THE 1965 ANTIDUMPING AMENDMENT: A PRACTICAL STEP IN AN EXPANDING WORLD TRADE

THE SPEAKER pro tempore. Under previous order of the House the gentleman from Texas [Mr. THOMPSON] is recognized for 30 minutes.

Mr. THOMPSON of Texas. Mr. Speaker, I was interested to note the concern of the gentleman from Missouri [Mr. CURTIS] on the compelling present need to find "improved means to

eliminate the evils of dumping." On the other hand, I note that in grasping at the panacea of an international code of fair competition to unify antidumping laws and their administration among all nations—as desirable as this may ultimately be—short shrift was given to the logical first step, the improvement of our own existing Antidumping Act. Passage of the proposed 1965 amendment to the Antidumping Act of 1921—S. 2045; H.R. 8510, and related bills—would enable our country to lead the way in the difficult and delicate task of formulating effective curbs on dumping. These could later be proposed to other nations in due course as a practical model for part of the gentleman's more encompassing and, I might add, futuristic ideal of an international code of fair competition.

I find myself in full agreement with my distinguished colleague's basic argument about the validity and importance of deterring dumping. Dumping by foreign firms of goods at prices less than they charge in their own domestic markets has been long recognized, as he points out, to be unfair and often very damaging to U.S. industries and workers. There is sound economic justification for antidumping protection for domestic industries.

He is, moreover, wholly right in asserting that confusion has arisen over what constitutes "sales at less than fair value" or especially what criteria should be used in determining "injury" under the present act.

The result of these administrative difficulties is that past decisions have produced no clear, guiding precedents on the practices or circumstances which in fact constitute dumping. Without reliable standards the foreign businessmen cannot make pricing and sales decisions which he can be reasonably confident will conform to the requirements of our law. I feel such uncertainty is disruptive of international trade and is really the chief cause of foreign complaints about our cumbersome antidumping program.

The uncertainties inherent in the present law are the primary target of the proposed 1965 amendment. For example, after Treasury has determined that a dumping price exists in a specific case, "injury" to a domestic industry by this international price discrimination would be established if the dumped imports caused a 5-percent loss of domestic sales or a 5-percent loss of labor employment. Other heretofore vague concepts, such as "likelihood of injury," causation, and "industry," would be spelled out in the same terms as those successfully applied for over 50 years in the administration of our domestic antitrust laws. The traditional principles of unfair competition, as clarified by the large body of judicial decisions and other explanatory writings, would make the Tariff Commission's determination of injury depend on concepts and factual findings widely understood and generally accepted. All parties could predict with great certainty the outcome of potential cases.

Other parts of the proposed amendment would clarify and further specify

the Treasury's computations in determining whether price discrimination has taken place. In the case of goods from Communist or other countries where the method of establishing prices is not realistically related to cost or profit factors, Treasury would be given the discretion to make appropriate adjustments in determining foreign market value.

The amendment would also guarantee more expedited and fair procedures during the Treasury's investigation of dumping. For example, all contemporaneous complaints regarding the same class or level of goods, even though involving different importers or foreign countries, would be consolidated by Treasury into one proceeding. Unsubstantiated complaints could be dismissed within 15 days. Treasury would be authorized to order in aid of its investigation an oral hearing at which interested parties, represented by counsel, would present such evidence and conduct such cross-examination as necessary for a full and fair disclosure of the facts.

In short, Mr. Speaker, the proposed 1965 amendment to the Antidumping Act is aimed precisely at eliminating those aspects of the act's administration which have at times been uncertain and cumbersome and which have irritated—with some justification—foreign exporters, thereby hindering international trade. Parenthetically, it should be noted that the recent administrative revisions of Treasury's regulations in 1960 and 1964 could not possibly have already met this need, as the gentleman suggested. Those regulations necessarily confine themselves to Treasury's own proceedings and computations, while the heart of the proposed amendment involves the determination of injury by the Tariff Commission—a determination completely independent of any of Treasury's regulations.

Under this amendment our act would surely not be the kind of statute which the gentleman is disturbed to find on the increase, that is, "statutes which are poorly designed to eliminate dumping itself but which threaten to be used as protective barriers against foreign competition." Nor would the act any longer leave open the possibility that unfounded dumping complaints might unreasonably hinder foreign trade because of the uncertainty of the importers' liabilities; not only could Treasury dismiss such complaints in only 15 days but the clearer standards of the act would allow the parties themselves to assess accurately the risks involved. What uncertainties do remain are surely no greater in scope or effect than those arising from the scrutiny of our own domestic antitrust laws; nor would they be less salutary in causing voluntary compliance with the universally recognized rules of fair competition in a free market, whether that market be national or international.

While S. 2045 and H.R. 8510 would thus make the act simpler, less cumbersome and greatly improved in terms of the procedures by which it is administered, it is also the purpose of the bills to clarify the standards for determining whether "dumping" or "injury" exists. I very

strongly suspect that this is one of the main reasons for the opposition of some foreign exporters to the bills. It is my fervent hope that the Ways and Means Committee will hold hearings on this matter, at which time the views and suggestions of all interested parties can be presented. I myself believe that the clarified standards are reasonable and appropriate as proposed.

I respectfully suggest to the gentleman that such hearings before the Ways and Means Committee would be the appropriate way to decide these details rather than to turn the formulation of fair and effective antidumping policy over to the executive at this time. Such studies are typically time consuming and go beyond the immediate details of the problem at hand. For example, note the vague generalizations in the policy statement on the international dumping problem issued a year ago by the Committee for Economic Development, a nonprofit, nonpartisan, and nonpolitical organization made up of leading businessmen and educators:

Antidumping policy should seek to halt dumping in place of trying to punish parties to dumping, subject to rules established in the GATT * * * an international agreement imposing obligations on exporting nations to halt dumping when an impartial international body has determined that dumping is taking place ("Trade Negotiations for a Better Free World Economy," p. 55).

Halting dumping is an excellent and praiseworthy objective. But it is a much broader objective, implying as it does universal international cooperation and effective international enforcement. Admittedly, this is a proper subject for executive rather than legislative action. But the aim and effect of the U.S. Antidumping Act is much narrower. Our act does not attempt to halt dumping; it only applies a corrective duty equivalent to the amount of the price discrimination, thereby erasing the discrimination but not stopping the importation of the goods. And it does not even apply in every case of price discrimination, even though all price discrimination not attributable to transportation costs is condemned universally as being economically disruptive and an unfair competitive practice; it only applies where domestic industry or labor has been, or is probably about to be, injured.

As the gentleman himself noted, this mild, corrective action of our Antidumping Act is in no way violative of the General Agreement on Tariffs and Trade obligations. Nor should the effectiveness of the act be diluted in negotiations during the Kennedy round prior to the opportunity for Congress to have had a chance to express its intent in this important area of our trade policy.

If it is true, as the gentleman has suggested, that there is a danger that some nations' antidumping procedures are growing in complexity and in resulting harassment to international trade without effectively curbing dumping, I would suggest the most fruitful contribution we can make to head off that tendency is to pass H.R. 8510 or a close equivalent. We then would be able to point to our act as an effective solution which sharply focuses on correcting the evils of dump-

ing without otherwise unduly restricting trade.

Mr. Speaker, I salute my colleague from Missouri for his concern about dumping and his desire for a better world trade order, which is also the goal of those who support the 1965 Antidumping Act Amendment. I hope he will lend his talents to a practical first step—a fair, effective U.S. Antidumping Act to which our negotiators can have reference in seeking an expanded legitimate world trade.

LAWRENCE F. O'BRIEN, SPECIAL ASSISTANT TO THE PRESIDENT, AWARDED HONORARY DOCTORATE IN PUBLIC ADMINISTRATION BY NORTHEASTERN UNIVERSITY

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

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

There was no objection.

Mr. BOLAND. Mr. Speaker, my long time friend and hometown associate, Lawrence F. O'Brien, Special Assistant to the President for Congressional Affairs, was awarded an honorary degree of doctor of public administration by his alma mater, Northeastern University, during the 64th annual commencement exercises in Boston Sunday.

A confidant of our late beloved President John Fitzgerald Kennedy, Larry O'Brien has been well known to all Members of the House and Senate for the last 4½ years as congressional liaison at the White House for both President Kennedy, and President Johnson. Northeastern University recognized Larry O'Brien's skill in that very important White House position by stating in the citation accompanying the degree:

Your skill in the art of politics has been conspicuously recognized in your appointment as special presidential assistant.

Mr. Speaker, the citation then goes on to say:

In a nation where destiny turns on politics, you have shown rare ability both as an organizer of political campaigns and as an adviser to political leaders of our Nation.

I know I speak for all of the Members of the House when I congratulate Larry O'Brien on receiving this honorary degree from Northeastern University, adding to his long list of awards received in past years for his skill, his ability, his devotion and unselfish attention and dedication to the public service. I know that this occasion must bring great satisfaction to his charming wife, Elva, and his wonderful son, Larry, a student at Harvard.

Mr. Speaker, I ask permission to have a news story from the Springfield Union of June 22 telling about Larry O'Brien's honorary degree included with my remarks:

PRESIDENTIAL AID GIVEN HONORARY DEGREE

Lawrence F. O'Brien, special presidential assistant for congressional relations to the late President Kennedy and President John-

son, was awarded an honorary degree of doctor of public administration at Northeastern University's 64th annual commencement exercises. The degree was conferred by Dr. Asa S. Knowles, president of Northeastern.

A graduate of Northeastern's Law School with the class of 1940, O'Brien has been a prominent figure in organization of political campaigns for a number of years. He is author of the "O'Brien Manual," which provided the basic campaign procedure for the then Senator John Kennedy's 1960 presidential campaign.

O'Brien was national director of organization for the "Kennedy for President" campaign, 1959-60; the Kennedy-Johnson campaign in 1960; and the Johnson-Humphrey campaign of 1964.

The Springfield native is former president of O'Brien Realty Co. of Springfield and was board president and business manager of the Western Massachusetts Hotel and Restaurant Health Fund.

The citation accompanying the degree reads in part:

"Your skill in the art of politics has been conspicuously recognized in your appointment as special presidential assistant * * * .

"In a nation where destiny turns on politics, you have shown rare ability both as an organizer of political campaigns and as an adviser to political leaders of our Nation."

O'Brien is married to the former Elva L. Brassard. They have a son, Lawrence 3d, a student at Harvard University.

MICHIGAN'S CLAIM TO GEMINI 4

Mr. TODD. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mrs. GRIFFITHS] may extend her remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mrs. GRIFFITHS. Mr. Speaker, the State of Michigan proudly participated in the development and success of our Nation's latest space guest. Astronauts Maj. James A. McDivitt and Maj. Edward H. White received advance training at the University of Michigan, and 14 Michigan manufacturing corporations were involved in the construction of the Gemini 4 spacecraft. In view of Michigan's special contribution, the Michigan House of Representatives has passed the following resolution urging that the Gemini 4 spacecraft be contributed to the new Space Research Center at the University of Michigan:

HOUSE RESOLUTION 148

Resolution relative to the Gemini 4 spacecraft

Whereas on June 15, 1965, the U.S. Astronauts Maj. James A. McDivitt and Maj. Edward H. White will participate in the dedication ceremonies of the new Space Research Center at the University of Michigan; and

Whereas this new Space Research Center is being dedicated and operated by the University of Michigan with the cooperation of the National Aeronautics and Space Administration; and

Whereas Gemini 4, the historic spacecraft in which Astronauts Maj. James A. McDivitt and Maj. Edward H. White conducted their world-famous flight was a combined construction project of many outstanding corporations of the United States, including 14 Michigan manufacturing corporations; and

Whereas it should be pointed out that both Astronauts Maj. James A. McDivitt and Maj. Edward H. White received advance training at the University of Michigan and are thus

closely related to this great institution: Now, therefore, be it

Resolved by the house of representatives, That the members of the Michigan House sincerely and respectfully urge that the Gemini 4 spacecraft be displayed at and be used for research purposes at the new University of Michigan Space Research Center; and be it further

Resolved, That a copy of this resolution be transmitted to the National Aeronautics and Space Administration, to the President of the U.S. Senate, to the presiding officer of the U.S. House of Representatives, and to each member of the Michigan delegation to the U.S. Congress.

Adopted by the house June 14, 1965.

NORMAN E. PHILLES,

Clerk of the House of Representatives.

NEW YORK CITY IN CRISIS— PART CIV

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

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

There was no objection.

Mr. MULTER. Mr. Speaker, the following article concerns the taxicab industry in New York City.

The article appeared in the New York Herald Tribune of May 1, 1965, and is part of the series on "New York City in Crisis" and follows:

NEW YORK CITY IN CRISIS: TAXI STUDY PANEL OFFERS A COMPROMISE

(By Edward J. Silberfarb)

A three-man team that has been trying to end the labor struggle within the taxicab industry offered a compromise yesterday, and Mayor Wagner urged both sides to accept it.

The panel was appointed by the mayor after a 1-day strike March 24 had taken some 10,000 of the city's 11,772 cabs off the street. The members are Theodore W. Kheel, Thomas Jefferson Miley, and Herman Cooper, all labor specialists.

In a 13-page joint report, the three conceded, "We have not been able to find the basis for an agreement between the parties on procedures for the resolution of the question of representation."

But they proposed:

An election should be held to determine whether a union should represent drivers of the city's 83 cab fleets, which operate 6,816 taxis.

Only full-time drivers (some 14,000), those who work at least 4 days a week, and those part-time drivers (some 3,000), who work regular should be eligible to vote.

The controversy, between the Taxi Drivers Organizing Committee of the AFL-CIO and the fleet owners' Metropolitan Taxi Board of Trade, centered on the question of who should be allowed to vote.

The union, which claimed membership signatures from 18,026 of the 21,010 regular drivers, maintained that it should be recognized as the bargaining agent without an election, but that if an election is held, only full-time drivers (at least 4 days a week) should vote.

The industry argued that only an election should determine representation and that all part-time drivers should be included as well as full time.

The panelists agreed that it does not matter whether the election is conducted by the National Labor Relations Board, which is favored by the industry, or some other impartial body.

The only dissent, from Mr. Miley, was on the question of the scope of the election. Mr. Miley favored elections on a company-by-company basis, while the other two members favored an industrywide vote.

Mr. Miley said the interests of the many small and medium-sized operators would be crushed by the will of the large ones in an industrywide election.

On the other hand, Mr. Kheel and Mr. Cooper said just the reverse would happen, that smaller operators would be at the mercy of the union without the protection of a united industry.

Mr. Miley, who helped work his way through college in 1918 by driving a cab, said that individual garages have been dealing separately with drivers on pension and other benefits and should continue to do so rather than on an industrywide basis. But Mr. Kheel cited industrywide bargaining practices such as in the garment industry as examples that should be followed.

The panelists said both union and management had agreed that the 8,000 so-called "casual drivers," those who work only sporadically, should not be eligible to vote.

Some 6,000 independent owner-drivers would not be affected by a union election.

The whole issue of union representation has become crucial since the 10-cent taxi fare increase of last December. The union maintains it should play a role in insuring that the money goes to the drivers in cash and benefits.

NEW YORK CITY IN CRISIS— PART CV

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

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

There was no objection.

Mr. MULTER. Mr. Speaker, the following article concerns the downtown expressway in New York City and is part of the series on "New York City in Crisis."

The article appeared in the New York Herald Tribune on May 2, 1965, and follows:

NEW YORK CITY IN CRISIS: DOWNTOWN EXPRESSWAY—END TO STOPS AND STARTS?

(By Marshall Peck)

The first red light was right at the Williamsburg Bridge exit, and driver Leslie Self, 29, braked the truck and shifted into neutral. He was making his daily return run to Newark after general freight deliveries in Brooklyn and Queens.

The light changed, and Mr. Self cranked up for the stop-and-crawl push down Delancey Street, and toward the Holland Tunnel.

It was Thursday, a few minutes after 6 p.m., and at least traffic was moving. "It's those Friday nights in the summertime," said Mr. Self to a passenger. "Kids out of schools, people taking off * * * those nights you can just forget it."

Mr. Self, leaning over the wheel in a kind of body-English effort to keep going, was slowed by a nervy Volkswagen that squeaked through a light at Essex, by a merge as he came to Kenmare, by a turn at Broome, and by red lights at Forsyth, Mulberry, Watts, and Varick. But he considered it a fast ride. "Eleven minutes—not bad; takes 20 going out in the morning. An expressway—that would be a dream."

Mr. Self's truck is one of the 24,000 vehicles, according to a survey, that make a

through 2-mile trip across lower Manhattan each day, following the route that would become—if Mayor Wagner gives the word—the Lower Manhattan Expressway. Local traffic, it is estimated, would bring the total number of vehicles using the long-planned route to 120,000 daily.

DISPUTE

Traffic flow is only one of many issues involved in a fierce dispute that has stalemated the expressway since it was first proposed in 1941. Opponents say the artery would not be built to serve New Yorkers, but drivers passing through. Proponents say, on the contrary, that the greater part of expressway traffic would consist of 70,000 vehicles that come across the East River heading for the West Side of Manhattan, and that in all a daily traffic volume of 450,000 vehicles, on and off, over and under, would be benefited.

Those who are against the expressway say it would be a Chinese Wall splitting Manhattan—another ugly elevated structure like the ones the city has been tearing down—and that it would create new bottlenecks instead of speeding traffic. They say it would destroy neighborhoods, root out 2,000 families, and displace 800 commercial enterprises where 10,000-plus people are employed.

Those who are for the expressway, argue that the overhead route would relieve congestion, breathe new life into some blighted areas, lead to new building and revitalization of property values, and, incidentally, assure the city of more than \$1 million worth of construction activity.

The mayor and the board of estimate were for the expressway in 1960, but after a public clamor, they reversed themselves. After the city planning commission had fought against legal moves to have the route removed formally from the city map, another push for the expressway resulted in another vote of approval by the board of estimate last December.

Mayor Wagner announced that he would be making a decision after studying the data one more, all the pros and cons of a superhighway, costing \$100 million, 2.4 miles long, across Manhattan.

January, February, the winter months gave way to spring, and the city waited. Finally, last week, came a hint, a decision is being formulated.

The salient reason for prompt action is this: the Lower Manhattan Highway System, and the program, under which the Federal Government pays 90 percent of the costs and the State 10 percent, is slated for termination in October 1972.

If the expressway segment (Interstate 78) is not completed by that date, there will be no reimbursement unless the Federal program is extended.

"We've warned the State people to keep an eye on the clock," said a spokesman from the Bureau of Roads in the Department of Commerce. "Work on interstates has to be completed by a certain time; we know they know what time it is—that it's getting late. The problem isn't that the State doesn't have a sense of urgency, the problem is that your city doesn't."

And in Albany, the Department of Public Works agreed that "time is a factor now" if the expressway is to be finished by the present deadline date. "We haven't received or been given an ultimatum," a spokesman said, "but the Federal Government knows, we know and the city knows about 1972. We have been in communication, and everyone appreciates what a tremendous and lengthy job this will be. We hope the city will announce its decision * * * reasonably soon."

WARNING

In the city, the receiving point for these signals has been the Triborough Bridge and Tunnel Authority, which—although not involved as an agency—is headed by Robert

Moses, coordinator for the city on the projected highway. Presumably Mr. Moses, a fighter for the expressway, has informed Mr. Wagner of Triborough's opinion, as given by a spokesman, that "if we don't get started shortly on the expressway, we won't be able to complete the job within the time limit."

The round-figure estimate of the actual time it will take to build the expressway, as judged by State highway officials and the staff of Madigan-Hyland, Inc., consulting engineers, is 5 years. This would include completion of contract plans, award of job contracts, acquisition of property, relocation, demolition, clearing, and construction. But engineering specialists indicate that paperwork, renegotiation of contracts, and general warmup preparation might add a year to the total.

Engineers also point out that things usually take longer to finish than anybody expects, and that delays could spread the job out for a few extra months. In sum, if the expressway is to be completed by 1972, it should be started as soon as possible.

Mr. Wagner indicated to the Herald Tribune last week that he was moving toward some pronouncement. He told Reporter Edward J. Silberfarb he "expected to have a statement within a week," and was "waiting to receive certain relocation reports."

Meyer Kailo, deputy commissioner of the department of relocation, explained that the agency had been "doing a special analysis, on people and commercials, a piece or two of information" that was going to Mr. Wagner this week. He added:

"We have been working on something, we are providing something, that we believe is brandnew and beneficial."

STOPPING COMMUNIST AGGRESSION

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

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

There was no objection.

Mr. MULTER. Mr. Speaker, there is just too much loose talk about the war in Vietnam. Some of it is based upon lack of knowledge, some of it is based upon distortions of fact, and another large part of it is based upon purely emotional reaction.

On February 17, 1965, President Johnson said:

Our purpose in Vietnam is to join in the defense and protection of freedom of a brave people who are under attack that is controlled and that is directed from outside their country.

A sound analysis of President Johnson's position and policy with reference to Vietnam appeared in the following editorial of William Randolph Hearst, Jr. in the Sunday, June 20, 1965, edition of the New York Journal-American.

I am pleased to commend it to the attention of our colleagues:

[From the New York (N.Y.) Journal-American, June 20, 1965]

EDITOR'S REPORT: A GI WAR?

(By William Randolph Hearst, Jr.)

The Vietnam war grows in scope and savagery, and the specter of American commitment to a land war in Asia is again haunting our national councils.

Not since the Korean war, when 250,000 American troops fought in a terrible con-

flict on the Asian mainland, has this prospect loomed so close.

This is a development warned against by Gen. Douglas MacArthur, viewed with foreboding by Winston Churchill and consistently deplored by the Hearst Newspapers.

But events have a habit of bending previously held beliefs and policies into new shapes.

We learn the administration is preparing to increase American personnel strength in Vietnam up to 75,000—and that this figure will probably again climb to 100,000 and probably many more.

In addition, we note one feature of recent troop movements to Vietnam is the heavy ratio of actual ground combat units, as opposed to the former preponderance of support and "advisory" elements.

Thus, despite President Johnson's genuine abhorrence of a GI war in Asia, this is precisely the direction in which the struggle appears to be heading. And it isn't L.B.J.'s fault.

This "escalation" is being relentlessly goaded onward and upward not by this country, but by the fanaticism of communism itself, expressed in the deepening commitment of Communist forces to battle.

It has been argued that the United States sent a ridiculously large force to cope with the crisis in the tiny Dominican Republic. But it has been counterargued that if a smaller force had been sent—say hundreds instead of thousands—it could have suffered very heavy casualties.

The theory also applies to Vietnam. Small American forces could well be overrun and wiped out by the well-hidden Vietcong. But guerrillas will think twice before attacking extremely strong forces: Such action runs counter to the theory of guerrilla war itself.

So it could well be that the presence in South Vietnam of an overpowering American military presence will have the effect of decreasing and not increasing the scale of war and its attendant casualties.

It is also necessary to bear in mind that whatever "escalation" is undertaken by the United States in this grim business is only done so in order to match that undertaken by the other side.

Numerous large elements of the North Vietnamese Army have been identified in the forests of South Vietnam. These were infiltrated into South Vietnam as a regular adjunct to the Hanoi-supported operations of the Vietcong, our intelligence sources report.

If this is not escalation, what is?

The North Vietnamese Army is highly rated and is not in South Vietnam to admire the scenery. There is every likelihood that it will be used in battle in South Vietnam. In this case it is inevitable that it will collide with U.S. Marines or paratroopers now there.

It is essential, therefore, that our forces in South Vietnam be brought up to and maintained at adequate strength to cope with any threat to themselves.

Any other course would be one of irresponsibility towards the lives of our servicemen, and it is out of the question that the administration should pursue it.

The present trend shows clearly that it will not. The mood of the administration is one of total determination to fulfill America's obligations with purpose and honor, yet of leaving the door wide open for discussions that could lead to peace.

There can be no other path to follow.

Doctrinaire liberals—too many of whom are college professors who preside over those so-called teach-ins—have done and are doing our country a disservice, wittingly or not.

It is a disservice based on two related positions.

The first urges a disastrous U.S. withdrawal from Vietnam, which would irreparably damage American prestige through-

out the whole world and open the gate for a Communist takeover of southeast Asia.

The second advocates instant negotiations, even with the Vietcong guerrillas who have no government of their own and who are controlled by Communist North Vietnam, meaning that implacable little man, Ho Chi Minh.

To negotiate with the Vietcong, and include it in a splintered South Vietnamese government, would bring about, as certainly as military conquest, Communist domination of South Vietnam.

The Vietcong would have achieved politically what it has failed to achieve by open aggression.

The implication in these demands for "negotiation" is that President Johnson does not want to negotiate.

That is the opposite of the truth.

Again and again the President has expressed his willingness to negotiate honorably for a fair settlement that would preserve the freedom of South Vietnam.

It is Ho Chi Minh with the support of Peiping and to an uncertain extent Moscow, who refuses to negotiate. Why? Because he thinks he holds the winning hand.

Way back in February I wrote that Ho—and not the ruling tandem in Moscow or Mao in Peiping—was the key to settlement. This column of February 21 said:

"Only when he is made to realize that the game he is playing is not worth the gamble, only then will realistic negotiations be possible."

He hadn't been made to realize it then; he apparently hasn't been made to realize it yet.

It occurs to me that the use of some 30 big B-52 jet bombers which flew some 4,000 miles from Guam to Vietnam and back the other day was more of an exercise in psychological than strategic warfare.

Because of an unfortunate mid-air accident and a seemingly sparse number of the enemy killed in the raid itself, it was too promptly labeled a farce and a failure by our Monday morning armchair strategists.

As every American who has ever watched and heard our bombers flying over our heads toward enemy positions in World War II knows, this is a great morale stimulus to Allied troops on the ground.

Conversely, I can assume that the same sight and sound of the 8th Air Force and the RAF must have had a definitely disheartening effect on German morale.

I don't know—and I don't think all of the reporters in Saigon or Washington know—just how many Vietcong these bombers expected to kill. My point is that even if we didn't kill anyone, there were a lot of little Vietcong guerrillas over there this weekend who were bound to have a distinctly higher opinion of the formidable nature of their enemy.

At his press conference this past Thursday the President read from a report of an unidentified foreign ambassador who quite recently had been in contact with the North Vietnamese Government in Hanoi. The ambassador concluded that the Ho Chi Minh regime was not interested in negotiations of any kind.

Secretary of State Dean Rusk supplemented this with a more official statement after a Cabinet meeting Friday. He said all channels for Vietnam peace talks remain open on our side. He added he saw no "active interest" by Hanoi or Peiping or any "active effort" by the Soviet Union to end the war.

All this casts doubt on the effectiveness of a Commonwealth mission that British Prime Minister Harold Wilson is putting together with a view to visiting Washington, Moscow, Saigon, Hanoi, and Peiping in quest of a formula for peace.

In fact, it is questionable whether the mission would be received in Hanoi and Peiping. Those capitals refused visas to

British Foreign Secretary Patrick Gordon Walker, who ventured on a peace mission earlier this year.

But let's wait and see whether blame for refusing negotiations will be placed where it should be in future college teach-ins.

Which reminds me of an apt distinction between true and phony liberals that was made by John J. McCloy in a speech at Haverford College in Pennsylvania. Mr. McCloy, a former Secretary of War and High Commissioner in Germany, carries the credentials of a true liberal.

"If anything would seem to be clear," he said, "it would be that no one is entitled to the designation 'liberal' if, in his conclusions, he disregards the fact for the theory or the condition for the attitude.

"Liberality, in its true sense, excludes doctrines or slants. [Those] who, with the passage of each year, grow more rigid and doctrinaire in their thinking are the real reactionaries, whether inclined to the left or to the right."

Let those who rigidly oppose the Johnson policy in Vietnam chew that over for a while.

At press time, it appears that Premier Ben Bella of Algeria, often and rightfully referred to as the "Mediterranean Castro," has been given the hook.

I haven't yet read a form chart on his successor. But my first reaction was a sense of relief on receipt of good news. Ben Bella is—perhaps by now it should be was—bad news for the United States and the free world. And as far as his people were concerned, he was a Communist dictator.

Good riddance to bad rubbish, say I.

OUR SAFEGUARDS AGAINST DEPRESSION

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

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

There was no objection.

Mr. BOGGS. Mr. Speaker, more than 32 years ago, at a time of the worst domestic crisis in the history of the United States, a new, courageous President spoke to the American people in his first inaugural address. Many of my fellow colleagues in both the House and the Senate remember, all too vividly, his words:

This is a day of national consecration, and I am certain that my fellow Americans expect that on my induction into the Presidency I will address them with a candor and a decision which the present situation of our Nation impels.

This is preeminently the time to speak the truth, the whole truth, frankly, and boldly. Nor need we shrink from honestly facing conditions in our country today.

Values have shrunk to fantastic levels; taxes have risen; our ability to pay has fallen; government of all kinds is faced by serious curtailment of income; the means of exchange are frozen in the currencies of trade; the withered leaves of industrial enterprise lie on every side; farmers find no markets for their produce; the savings of many years in thousands of families are gone. More important, a host of unemployed citizens—

By that time, about 12 million—

face the grim problem of existence and an equally great number toil with little return. Only a foolish optimist can deny the dark realities of the moment.

Mr. Speaker, these were the somber words of Franklin Delano Roosevelt, spoken to a gloomy American people in his first inaugural address on March 4, 1933. As the Members of this House know, President Roosevelt was speaking in the depths of the great depression which had fallen on the Nation with the crash of the stock market beginning in October 1929.

When he spoke on a cold, bleak day in Washington, unemployment had climbed above 12 million people, or more than 25 percent of the labor force. The gross national product had plunged from \$104.4 billion at the end of 1929 to \$56 billion in 1933, and retail sales had fallen from \$48.5 billion in 1929 to about \$25 billion in 1933. Prices on such basic commodities as wheat, corn, raw cotton, wool, tobacco, began to nosedive in 1929, and hit their lowest point in 1932 and 1933. Banks had failed throughout the country, and by Inauguration Day in 1933, the governors of 22 States had closed all of their banks. By March 4, of that year, almost 5,000 banks had collapsed in America.

The raw effect of this catastrophe, Mr. Speaker, was to strike fear and despair into the hearts of so many of our people, not to mention the severe material deprivation which was forced on so many of them.

In complete contrast today, I am confident that no such economic collapse as occurred in those years of our youth, could ever happen in our country again.

Today, our Nation enjoys many built-in safeguards, as well as controls on the stock market and the banking system, which help to prevent such a tragedy from ever occurring again.

In his new book, "The Oxford History of the American People," Samuel Eliot Morison, an eminent American historian, states:

The stock market crash of October 1929 (which of course continued its downward spiral until late 1932) was a natural consequence of the greatest orgy of speculation and overoptimism since the South Sea bubble of 1720.

He notes that speculation began to reach "a giddy height" by 1925, and "when speculation began to get out of hand, neither the Federal nor the State governments did anything effective to check it." Further, with the detached view of President Coolidge, and the essentially fixed ideas on economy of President Hoover who succeeded him, the Federal Reserve Board and the Trade Commission took no action to help stem the tragic tide.

Mr. Speaker, the crash of the stock market in October 1929, and its continued drop through mid-1932 was not the sole reason for the great depression. In fact, if anything, the collapse of the market might be considered more a manifestation of the sinking economy than the root cause of it.

Of the causes of the depression, Mr. Morison states in his book:

As yet there is no consensus among economists as to why a prolonged depression followed the crash. Not all agree with this writer's generalization that the national

economy was honeycombed with weakness, giving Coolidge prosperity a fine appearance over a rotten foundation. Optimism, justified in the early 1920's, had been carried to extremes owing to the lack of insight and want of courage to say "stop" on the part of leaders in business, finance, politics, and the universities. These, imbued with laissez-faire doctrine and overrating the importance of maintaining public confidence, refrained from making candid statements or taking steps to curb or cure the abuses.

In short, Mr. Speaker, the leaders of our country in the late twenties permitted themselves and the American people the false luxury of indulging in economic and speculative excesses; and those who saw the danger signals—with but too few exceptions—remained silent.

Certainly there were other factors, other weaknesses, such as the overproduction of basic food commodities and minerals; the tremendous volume of the stock market and borrowing on stocks and mortgages, and installment-buying debts; our erratic banking system, along with weak European currencies, which contributed to the collapse. But I believe, Mr. Speaker, that unrestrained excesses, coupled with the lack of proper controls over the stock market, the banking system, the establishment of corporations, and so on, sum up the principal reasons for the great depression. In short, avarice and greed, and human frailty, were at the forefront.

But we have learned much since those carefree days of the late twenties—and the agonizing years which followed. Through positive and constructive actions, both on a national and local level, we have learned that we can enjoy economic growth and prosperity in a safe and solid manner.

In his address to the alumni of Columbia University on June 1, if Federal Reserve Board Chairman William McChesney Martin was trying to remind us that in the past we have been guilty of excesses, then he is most assuredly right, and in doing so, he has rendered a service to the Nation. If, however, he truly believes that the "disquieting similarities" between today and the late 1920's are so parallel that they portend peril for our economy, then I believe that he is mistaken, and I am confident the facts on our economy today will bear me out.

First, I might note that Chairman Martin cited as many dissimilarities between today and the late twenties in his address as he did similarities. The parallels were cited first, and apparently with more emphasis, or at least they were taken in that vein, because the press coverage of his speech gave greater emphasis to the similarities.

Chairman Martin does cite differences between then and now, but unfortunately he omits some of the most important dissimilarities, and I would like to cite them here. Furthermore, the sum total of the differences between the economy in 1965 and in the late 1920's are more important and reassuring, in my opinion.

Some of the built-in insurance plans we now have to prevent any great downturn are:

First. Unemployment compensation which today insures about 49 million

workers during periods of unemployment; there was no such program in 1929.

Second. Social security insurance which provides income to senior citizens and to widows left with young children to support; today 9 out of 10 workers are covered by social security which was enacted in 1935. There was no such program in 1929.

Third. Not only is the distribution of our Nation's wealth much more broad based, but also millions of our workers are protected in their jobs and their good salaries by strong labor unions, and most all workers are now guaranteed a minimum wage by Federal law; this was not true in 1929.

Fourth. Long-term borrowing, at low-interest rates, is in effect today, particularly for home buyers or builders; home loans now are provided at low-interest rates, to be paid off in 20 years or more. Thirty-five percent of the total of home mortgage loans—a sum of \$69 billion—are now underwritten by the National Government through the Federal Housing Administration, the Veterans' Administration, and other related agencies. Such opportunities were not available in 1929.

Fifth. American farmers today are protected against bankruptcy by price supports on the major commodities; there was no such protection for farmers in 1929, which saw the beginning of a great drop—about 65 percent—in commodity prices between that year and 1933.

These are some of the marked dissimilarities, Mr. Speaker, which I think are very important in safeguarding any repetition of the great depression. These and other safeguards also are significant programs to help prevent a severe recession, although, of course, our society is not "recession proof."

At this point, Mr. Speaker, I would like to include in the RECORD five recent magazine and newspaper articles which elaborate on some of the points I have been making, and cite some additional factors on the strength and endurance of our economic prosperity of today.

First, for the benefit of my colleagues, I would cite an article from the June 21 issue of U.S. News & World Report, entitled "Another 1929?—Why There Is Little Chance," followed by recent stories in the Washington Evening Star; the New York Times; the Wall Street Journal; and the Washington Post. The articles follow:

[From U.S. News & World Report]

ANOTHER 1929?—WHY THERE'S LITTLE CHANCE

(NOTE.—As the boom ages, many wonder if it could end in a depression, as in 1929. Actually, things are vastly different now, as this report shows.)

Is another 1929 becoming possible? That question has been raised by William McChesney Martin, Jr., Chairman of the Federal Reserve Board.

What are the chances? Are a crash and then a deep depression now possible?

There has been a sharp fall out in stock prices of late. A speculative bubble burst recently in one phase of Western Europe's land boom. A bank scandal in Switzerland

followed. Japan has been going through a financial crisis.

REASONS FOR CONFIDENCE

Yet all seems calm in the attitude of businessmen, leading bankers, high Government officials—both in the United States and abroad.

Why? Why the confidence that events are not now, or later, to lead to another 1929-type crash and depression?

You get the answer in an outline on these pages of 11 basic differences between then and now.

The world, economic analysts say, little understood the forces of depression at work in and after 1929, and lacked the means to counter them.

Now all is said to be different. Governments everywhere are armed with machinery that can be used against deflationary influences.

In the United States, in particular, it is said, the past 30 years has brought a revolutionary change in attitude and in machinery for countering forces of depression and recession.

ROLE OF WORLD TRADE

As the world's great creditor nation, the United States now is inclined to act the part rather than, as in 1929, acting as a debtor nation when actually a creditor. A basic cause of upset in the world economy was said to have been the Smoot-Hawley tariff of 1930, which increased barriers to imports into the United States. This country, however, had become a great creditor nation in World War I and needed to accept goods in payment of debts.

As U.S. tariffs mounted, other countries imposed barriers to trade and defaulted on debts to the United States. These activities brought stagnation to world trade.

Today, the Government's efforts are aimed at expanding world trade rather than restraining it.

BUILT-IN DEFENSES

Many other factors also are present today that were absent in 1929.

The Government is committed to a policy of promoting expansion and avoiding depressions, and it is armed with many tools to carry out that policy. One recent example is last year's \$11.5 billion tax cut, which is credited with sparking the business expansion that still is going on. Now there are plans for excise tax cuts and stepped up social security payments to keep business activity from slowing.

The country also has "built-in stabilizers" that tend to soften any downturns. These include unemployment benefits, price supports for farmers, insurance for bank deposits, guarantees for mortgages, pensions for the elderly. The Government can speed public works to offset slack in private business.

Then, too, there is much more world cooperation to keep business stable. Leading industrial countries act in concert to maintain stable currencies. The International Monetary Fund stands ready to help. Recently steps have been taken to protect the British pound and to bolster the U.S. dollar.

The Government's own operations act to prevent depressions. The Federal cash budget of more than \$120 billion a year is itself a stabilizer. And Federal spending automatically goes up when business slackens, thus tending to offset the slowdown.

WEATHER VANES TO WATCH

Both business and Government now have a lot more information about the American economy than was available in 1929. A whole array of economic indicators tests the pulse of business. When these indicators flash danger signals, officials are prepared to act promptly.

Actually, the President's economic advisers—and many business economists—believe that deep depressions of the post-1929 vari-

ety are phenomena of the past. The President's advisers go as far as to say that even recessions are not inevitable, although they are not yet ready to proclaim that occasional dips in activity can be avoided.

THE YEARS 1929 AND 1965—THEN AND NOW—THE DIFFERENCES ARE VAST

Money: A managed abundance

Then: Money was tied rigidly to gold. This limited moves by the Government to ease money. Money and credit contracted sharply. Interest rates went up. Financial crisis developed.

Now: Tie to gold has been ended. Money supply is more readily controlled by Government. Credit is pumped out as necessary. In hard times, interest rates are reduced, new borrowing promoted by official policy.

Government spending: An important cushion

Then: \$10.5 billion a year in Federal, State, local cash spending. Federal spending, at \$3 billion, was only \$1 out of each \$29 of national income, thus had limited importance in total economy.

Now: \$176 billion—Federal, State, local. Federal cash spending alone is \$121 billion, or \$1 out of every \$4 of national income. In a downturn, this spending rises. Federal outlays are a tremendous force in U.S. economy.

Deposits: Now they are insured

Then: People got panicky as things went from bad to worse in early thirties. Runs developed on banks across the country. Failures were widespread, and there was no insurance on deposits.

Now: Accounts in banks and savings and loan associations are insured up to \$10,000. Result: Even in a severe business setback, wholesale withdrawals of deposits, such as took place 35 years ago, would be unlikely.

For the unemployed: A promise of help

Then: When a worker was laid off, he was on his own. There was no Government program to tide people over while they looked for new jobs. By 1933, one worker out of four was unemployed.

Now: About 49 million workers are insured during periods of unemployment. This means weekly benefits, for half a year in most States. In addition, many companies provide supplemental benefits for their own employees during layoffs.

Old people: The offer of security

Then: There was no social security to help in old age. Few companies offered pensions to employees after retirement. People had to rely on their own savings or help from relatives.

Now: Nine out of ten workers are covered by social security. Typical worker also has company pension. "Medicare" is on the way. Trend is to earlier retirement, opening up more jobs for younger people in the labor force.

Wages: Pay rates to stay high

Then: When times got tough, employers cut wages time and again. Labor unions were weak, had little voice on pay rates. Few workers were protected by wage contracts. No wage minimum was set by law.

Now: Workers have a whole system of protection built in. Wages are supported by powerful unions. Millions work on long-term contracts providing stable or rising pay rates. A minimum wage is provided by Federal law.

Farmers: Support for prices

Then: There was little or no protection for farmers against collapse. At the mercy of the marketplace, with no system of price support, farmers saw prices fall 65 percent between 1928 and 1933.

Now: Prices of major farm commodities are supported by the Government. Over the years, huge surpluses have grown up to burden the market, but farmers are protected

against anything comparable to the collapse of the thirties.

Home loans: Easy mortgage payments

Then: Home buyers and lending institutions were vulnerable. Mortgages were short term, 3 to 5 years, with no insurance or guarantee from Government. Many thousands lost their homes.

Now: It's a different story. Home loans are stretched out, many for 30 years or longer, with payments much like rent. On \$69 billion in home mortgages, or 35 percent of the total, loans are underwritten by Government.

Stock market: Not so wild this time

Then: It was a frenzied market. People went in over their heads, many buying on credit. Some paid 15 percent interest on borrowed money subject to call at any time. Thousands got in real trouble.

Now: Stock prices are about as high relative to earnings as in 1929. But there is much less speculation, and relatively little credit in stocks. Typical investor today owns his stocks outright. Margin requirement: 70 percent.

Money trouble abroad: Less danger of crisis now

Then: When nations ran short of gold and could not pay bills abroad, they had nowhere to get help. In such cases, nations were forced to devalue currencies, raise tariffs, curtail buying abroad.

Now: International Monetary Fund provides aid to nations in temporary difficulty. Other kinds of cooperation have developed. Result: Some protection for United States and other nations against contraction of trade due to financial crisis.

Expansive policy: It's required by law

Then: Government was committed to a minimum role in private economy, deliberately kept hands off. Pump priming was not accepted. In depression, Government still tried to balance the budget.

Now: Federal law calls on Government for whatever steps are necessary to reverse a downturn. This means promoting jobs, pushing public works, pumping out money—anything to put life in business. Budget deficits are part of the plan.

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

SAFEGUARDS EXIST FOR PROTECTION OF NATION'S ECONOMY

(By Sam Dawson)

NEW YORK.—What are the bulwarks the Government is counting upon to safeguard your personal economy as well as the Nation's general one from the flash floods of bad news?

The increasingly serious conflict in Vietnam, or jittery days in the stock market, or labor-management conflicts in basic industries can and do darken the front pages. But today Americans have much better odds of surmounting crises with a minimum of personal tragedy than did the citizens of 30 or so years ago.

These safeguards have been built up by business, by labor unions, and by the Government.

UNLIKE THE PAST

Some things Americans did wrong in the past they can't do today. Example: They can't plunge in the stock market with just 10 percent of cash for the going price of the stocks they fancy. So they can't be wiped out so fast when stock prices tumble after bad news, or unfounded rumors. And they have access to much more information about the affairs of corporations and banks than in the 1920's.

If you have built up savings in banks or savings and loan associations, you are insured against loss to a degree that covers most such accounts.

CXI—918

If you have taken on a mortgage when buying your home, in many cases you have a Government insurance policy on that, too. And the mortgage terms today call for repayments that build up your equity over a long period. The outside short-term mortgage with the threat of quick foreclosure is mostly a thing of the past.

INSURANCE HELPS

Many personal loans and monthly payments plans carry life insurance as guarantees for your survivors, so that home or cars or appliances aren't repossessed when personal tragedy strikes.

The total of installment credit has risen to a record high. But the lenders say that in the vast majority of cases such debts are well protected by the income prospects of the borrowers.

Even the upward trend of this personal income, while never a 100-percent sure thing, is better protected now than a generation or two earlier.

There are unemployment benefits for you if laid off in a temporary industrial lull. There are pension plans sponsored by management or by unions and social security for the elderly. There is insurance for many when bad health strikes. And Medicare for the aged is just over the horizon.

The Government also is pledged to try by its fiscal policies to keep incomes rising and employment as high as possible. Today the middle-income class is strikingly larger than before World War II.

BUSINESS SAFEGUARDS

Business has added many safeguards for the economy beyond those the Government has fashioned.

One is the training that management has received since the shock of the great depression of the 1930's. Much of the caution that has kept today's 52-month old economic expansion from becoming a risk-fraught boom is traceable to better judgment and business methods.

The economy now is spread wide over many endeavors. When one industry slows down, another may be going strong. When factories take a breather, the service industries may be enjoying better demand than ever.

A steady stream of new products, new methods, new goals comes from the growing programs of research and development. If one region has a setback, somewhere else in the Nation men are busy getting ready for a try at the moon. And the new enterprises may be anxious to get and train men to reach their goals.

[From the New York Times, June 17, 1965]

INFLATION THREAT CALLED REMOTE—EXPANSION "SEEMS DESTINED TO CONTINUE MANY, MANY MONTHS," ACKLEY SAYS

(By Gerd Wilcke)

Gardner Ackley, Chairman of President's Council of Economic Advisers, said yesterday that the Nation's economic expansion "seems destined to continue many, many months into the future."

Mr. Ackley's statement, coming in the course of a speech at a meeting of the American Marketing Association, was interpreted as an answer to a recent warning that there were "disquieting similarities" between present conditions and those in the 1920's.

The warning, by William McChesney Martin, Jr., Chairman of the Federal Reserve Board, has been widely held a factor in the drop in stock market prices.

MANAGING PROSPERITY

Without naming Mr. Martin, Mr. Ackley insisted that there were many built-in stabilizers and fiscal weapons, ranging from unemployment insurance to tax cuts, that since the depression have greatly enhanced

the Government's ability to "manage prosperity."

While acknowledging that "prosperity has many pitfalls," Mr. Ackley implicitly rejected Mr. Martin's contention that the expansion might turn into a "disorderly boom" by stressing that at the moment the danger of inflation "appears remote."

"We see no present danger that U.S. economic expansion does now or will in the near future press too hard against our overall ability to produce," the economist said.

Elaborating, Mr. Ackley said that "factories are averaging below optimum operating rates," the labor force is rapidly growing and still not yet fully employed, the danger of too-rapid inventory buildup does not seem imminent and prosperity is not threatened by either the quality or quantity of credit.

ROLE OF GOVERNMENT

Returning to the comparison between the 1920's and today, Mr. Ackley said that "stabilizing structural changes" had been built into the economy in recent years. Most important, perhaps, is the increased economic role played by the Federal Government.

In the 1920's, he continued, almost all spending in the economy was closely tied to current incomes.

"A drop in spending in one segment knocked down the whole row of dominoes of spending in every other segment. Today there is one big domino (the Federal Government) that stands firm against declines in private spending. And its revenue sources—highly dependent on the level of private incomes—decline markedly as incomes fall and thus greatly cushion any decline in private income."

Without mentioning the Federal Reserve, Mr. Ackley said monetary managers a generation ago followed an "essentially perverse monetary policy."

"From 1929 to 1933 they allowed the total money supply of the economy to decline 25 percent when it could have and should have expanded."

"This kind of mistake would never be made again, just as we would never again raise taxes and attempt to balance the budget in the face of a business collapse."

MORE SOPHISTICATED

Today "we are much more sophisticated in our use of monetary policy," he asserted. The official said that "at the moment, this danger (inflation) appears remote."

He said that "despite some much heralded exceptions, the average rate of gain in employee compensation has stayed with the rise of worker productivity." As a consequence, labor costs per unit of output have been almost unchanged in the whole economy.

Mr. Ackley warned, however, that this record would not be maintained unless unions and employers continued to respect the Government's guideposts in their bargaining.

"If we fail to maintain the stability of unit labor costs in the economy, arithmetic tells us that only one of two things can happen. Either profit margins will be squeezed, or—more probably—the level of prices will rise. Up to now our price record has been excellent."

He said that there was more danger of the economy "running out of gas" than the hazard of overheating.

"Our expansion has not run out of gas. And we have no expectation that it will, nor any intention of letting it," he said.

Mr. Ackley's speech, which was preceded by the introduction of Dr. Schuyler F. Otteson as new president of the association of the department of marketing at the University of Indiana.

GETTING EVEN BETTER

WASHINGTON, June 16.—Secretary of Commerce John T. Connor said today that "in

spite of some problems business is great, and it's going to get even better."

In a speech to the National Press Club, Mr. Connor used evidence similar to that in the New York remarks of Gardner Ackley, Chairman of the Council of Economic Advisers, to demonstrate that the expansion is still "balanced" and thus should continue.

He cited price stability, a lack of inventory excess and adequate but not excessive plant capacity. He also said that consumer debt was a "factor to watch," but that consumer liquid assets had risen faster than debt "in the last few years."

With the sharp rise in tax receipts, Mr. Connor said, "the anticipated fiscal deficits for the 1965 and 1966 fiscal year seem to be quite reasonable and manageable."

Present indications, he said, "are for continued growth this year, fulfilling the forecast in President Johnson's economic message that gross national product will hit \$660 billion in 1965."

In answer to questions, Mr. Connor made these points:

The stock market decline apparently resulted, in part, from "a general feeling in the country among investors that things were almost too good to be true." Thus profit taking seemed to be in order, he added. But, he said, the "solid economic facts of life" continue to be favorable.

He said he would not consider a short steel strike desirable as a means of working off inventories, mainly because "there is never any guarantee that a strike will be short." He also said steel companies might resort to lower prices to work off inventories, but he made no predictions.

He did not consider automobile inventories in the hands of dealers excessive for this time of the year.

[From the Wall Street Journal,
June 18, 1965]

INDUSTRIAL OUTPUT SET MARK IN MAY—MORE FEDERAL AIDS VOICE OPTIMISM—INFLATIONARY OVERHEATING IS CALLED REMOTE BY ACKLEY—EXPANSION SEEN CONTINUING
(By a Wall Street Journal staff reporter)

WASHINGTON.—More top Johnson administration officials spoke reassuringly about the economic outlook, finding support for their optimism in news that industrial output moved solidly to a new record in May.

Chief Economic Adviser Gardner Ackley and Commerce Secretary Connor issued cheerful forecasts during the day, and last evening Treasury Secretary Fowler spoke warmly of the possibility of future income tax cuts designed to prevent the Government from pulling too much money out of the private economy.

Industrial production in May, the Federal Reserve Board reported, rose to 141.3 percent of the 1957-59 average from April's seasonally adjusted record of 140.8 percent. While the increase wasn't as great as in the unusually vigorous first-quarter months, it was wider than the 0.3-point April advance.

The latest increase, the board said, reflected "mainly continued expansion in output of machinery and other business equipment." Consumer goods output increased slightly but remained below the March high; the auto assembly annual rate was about 9.5 million units, about the same as recorded in April and as scheduled for June. Iron and steel output in May "remained close" to the record April rate, even though the interim labor settlement has postponed the threat of a steel strike.

THREAT IS CALLED REMOTE

Adviser Ackley, in what appeared a major effort to dim the economic danger signals flashed by Federal Reserve Board Chairman William McChesney Martin on June 1, dismissed as "remote" any threat to the economy from inflationary overheating. "Perhaps the most serious danger" to the economic

engine, he said, isn't that it will boil over but that it can just run out of gas. But this doesn't appear likely, either, he said, citing the May industrial-output rise.

Without mentioning Mr. Martin, the Chairman of the Council of Economic Advisers agreed that history teaches that "prosperity has many pitfalls." But one by one, he discounted any imminent threats from these and said the record peacetime expansion currently in its 52d month "seems destined to continue many, many months into the future."

To worries that inflation could result from demand pushing too hard against capacity, Mr. Ackley said capacity is growing steadily and rapidly while output has slowed from a "hectic" first quarter pace. The labor force isn't yet fully employed and is growing rapidly, he said. Plant capacity isn't limiting growth, he said; the average operating rate of 89 percent in the first quarter is still 3 percentage points below the 92 percent "that managements say they prefer for peak efficiency." Imbalances could develop from too much inventory buildup, Mr. Ackley conceded, but, in relation to sales, inventories are around the lowest level of the whole expansion and "this particular pitfall doesn't seem imminent today."

CHANGES SINCE THE 1920'S

Like Mr. Martin, Mr. Ackley harked back to the predepression 1920's, but his emphasis was on the changes since then.

When the Federal Government was much smaller, he said, almost all the spending in the entire economy was closely tied to current incomes. "A drop in spending in one segment knocked down the whole row of dominoes of spending in every other segment." Today, he said, the Government is "one big domino that stands firm against declines in private spending"; its lessened tax intake during downturns greatly cushions any declines in private incomes.

Also, he said, "We have increasingly begun to harness the tremendous fiscal influence of the Federal Government in a conscious and constructive effort to assure an adequate and steadily growing market for the growing output our economy is capable of producing."

Among other changes he found favorable are the absence of the "essentially perverse" policy of tightening the money supply when the economy weakens, the switch to steadily amortized mortgage loans from lump-sum repayments, savings insurance, unemployment compensation and the like. On the international side, he said, official foreign claims on U.S. gold are less than the total of the U.S. gold stock plus its ability to borrow quickly from the International Monetary Fund; when the British pound was the key reserve currency in 1928, he said, short-term claims in pounds were about three times British gold reserves.

Mr. Ackley assured his audience at an American Marketing Association meeting in

New York that the administration has no intention of letting the expansion "run out of gas," and Treasury Secretary Fowler, in his New York talk to the National Conference of Christians and Jews, said the Federal tax system is still "capable of stalling or holding back the economy," despite the pending excise tax cut and last year's income tax cut. "We must seek appropriate opportunities for tax reductions to keep the tax structure's revenue capability from growing too fast as private incomes and the capacity of the economy enlarge," he said. There is a great deal yet to be done, the Secretary said, in ridding the income tax particularly of its "impediments to an efficient flow of capital, its unlike treatment of like incomes, and its excessive burdens on small incomes."

CONNOR'S FORECAST

Commerce Secretary Connor, appearing at the National Press Club in Washington, asserted that "business is great, and it's going to get even better." Higher profit and capital-spending plans indicate that business "obviously is in a confident mood," the Secretary said, declaring that the principal feature of the current expansion is that it has been "orderly, broadly based and without the serious imbalances that spell trouble ahead." Among factors he singled out as favorable are a "remarkable stability in prices" and the fact that mortgage and installment debt "seems to be still within bounds."

Asked his views of the Martin speech, Mr. Connor called it well balanced, and he said careful reading shows more concern about international problems than domestic ones. Administration men agree with Mr. Martin on the need to reduce the balance-of-payments deficit, Mr. Connor said; the Martin comments are timely and "should by no means be ignored."

The Martin speech, Mr. Connor told a questioner, came at a time when many stock market investors felt "things were almost too good to be true," and thus "crystallized decisions for profit taking." Those who read just the headlines were the most likely to do this, he suggested, saying there have been "second thoughts" since because the "solid economic facts of life" show the outlook to be good.

Asked about steel prices, Mr. Connor said competition from imports and rival domestic materials make it "highly debatable" whether increases could be made to stick. His personal view, he said, is that steel executives will and should have the public interest in mind in making individual decisions about prices once a labor settlement is reached. There could be a glut of steel in mill inventories at the end of negotiations and more coming in from abroad, he said, requiring companies to "unload" their stocks. The quickest way to do this, he said, would be through price cuts.

Here is the Federal Reserve Board's index of industrial production (1957-59=100):

	Seasonally adjusted			Unadjusted		
	1965		1964, May	1965		1964, May
	May ¹	April ²		May ¹	April ²	
Total, industrial products.....	141	141	131	143	141	132
Market groupings:						
Final products.....	140	139	131	140	139	131
Consumer goods.....	139	138	131	138	137	130
Business equipment.....	153	151	138	154	152	139
Materials.....	142	142	131	145	144	134
Industry groupings:						
Manufacturing.....	143	142	132	145	143	134
Durable goods.....	146	145	133	148	147	135
Nondurable goods.....	139	139	132	140	138	132
Mining.....	114	112	111	114	112	112
Utilities.....	160	160	148			

¹ Preliminary.
² Revised.

[From the Washington Post, June 21, 1965]

FOWLER EXPECTS NO DOWNTURN IN U.S. ECONOMY THROUGH 1966

Treasury Secretary Henry H. Fowler said yesterday that he is so convinced the Government has the right economic "mix" for prosperity that he simply can't envision a financial downturn for the foreseeable future.

Among prime factors for continuation of the 52-month boom Fowler listed wage, price, and inventory stability and confidence for the future among both consumers and businessmen, with a continuing favorable climate for capital investment.

As for the month-long drop in stock prices, Fowler said he could see no logical reason for the decline, since practically every other economic indicator showed the economy to be strong and healthy.

Anyway, Fowler continued, the stock market is not a reliable barometer of the economic condition of the Nation. There have been many stock exchange drops in the past, he said, with little or no effect on business as usual elsewhere.

Interviewed on the television program "Issues and Answers" (ABC, WMAL), the Treasury Secretary conceded that a continuing deep drop in stock market prices, without offsetting upturns, could produce "jitters" among the country's financial "decision-makers."

But he doubted any such eventuality now, he said, because most other economic signs pointed to continued good conditions.

Pressed for a more precise prediction on the Nation's financial future, Fowler said he could see nothing that might cause a downturn for the balance of 1965 or that indicated 1966 would be any different.

He admitted that "unknown factors" could upset his confident predictions, but added quickly that "I have no fear of any major depression."

Asked whether a recent New York speech by Federal Reserve Board Chairman William McChesney Martin, might have caused the stock market drops, Fowler replied: "No." Martin had said he saw similarities between now and the beginning of the depression in 1929.

The market decline, Fowler pointed out, began several weeks before Martin made his address. Anyway, he continued, he doubted that it was possible to talk the country into or out of a depression.

The last two-thirds of Martin's speech, Fowler said, a part which had been largely ignored, was quite in line with President Johnson's and his own views.

This concerned the necessity to produce a better balance-of-payments situation, or the difference between what this country spends abroad and what it receives from other countries. Both the White House and the Treasury are pressing a number of measures to reduce the imbalance.

OUR MONETARY PROBLEMS

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

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

There was no objection.

Mr. PICKLE. Mr. Speaker, Dr. James C. Dolley, the vice chancellor of the University of Texas, is one of our State's most eminent scholars and educators. For many years he was nationally known in his capacity as professor of economics and finance at the university.

Dr. Dolley has distinguished himself not only as a professor, but as the president of the University of Texas and as the president of the Austin National Bank, which is one of the largest banking institutions in Texas.

Recently, Dr. Dolley wrote a most thought-provoking article for the April 1 issue of the Commercial and Financial Chronicle. It is of special interest to all persons interested in the soundness of our monetary system.

I am happy to include in the CONGRESSIONAL RECORD this timely article, which follows:

OUR COMING MONETARY CRISIS

(By James C. Dolley, professor of finance, University of Texas)

For many decades the dollar was considered to be, and rightly so, as good as gold. It is almost incredible that this money unit is now at the brink of disaster, all the result of our own doing.

It is difficult enough to forecast economic development under normal conditions. It is much more difficult to forecast events which will result from changes in mass public psychology. No one can foretell the event which will cause an internal flight from the dollar nor can the timing be fixed. It can be stated with assurance, however, that we are now at the point where massive loss of confidence in the future of the dollar could develop very suddenly.

In the following pages, the writer presents his opinion as to the possible and probable sequence of events in this vitally important area. Assuming no all-out war situation, it is expected that this sequence will be seen within the next 12 months or so.

The balance of international payments deficit of the United States has been rather widely publicized. To a much lesser extent has publicity been accorded to the loss of our gold stock which is the direct result of the balance-of-payments situation. The remedies which have been suggested by the several Federal administrations since 1957, including the latest, are mere palliatives. The obvious solution to the problem of weakening confidence in the integrity of the dollar are: The elimination of the foreign aid program and the real balancing of the Federal budget by cutting back on present spending programs and the prevention of new spending activities.

Since 1934, the Nation has operated on a limited gold bullion standard, with conversion into gold limited to foreign central banks and governments. The great value and protection to a nation of a gold standard, whether it be fully convertible or limited gold bullion, lies in its automatic restraint on the spending of public funds by politicians. Within the last few months, this restraint has become evident, as the supply of free gold approached the vanishing point.

To remedy that situation, the Congress of the United States during recent weeks, voted to rescind the 25-percent gold reserve requirement against Federal Reserve bank deposit liabilities. That action was recommended by the President and approved by the House and Senate with a minimum of debate and, more importantly, with virtually no publicity. It would appear that the word had come out from Washington that no feigning of this story should be permitted lest the public become alarmed, as indeed the public should be alarmed.

The debate on that really important issue turned on two simple considerations: Should we continue with our massive spending programs at home and abroad or should we take the obvious steps to protect the integrity of the dollar. By overwhelming majorities in both Houses, the Congress voted to continue with massive spending programs.

It should be pointed out that this action is entirely consistent with similar actions taken by other governments under similar circumstances throughout world history. Once the doors of the National Treasury have been breached, as in our case in 1933, there is no closing of the doors until the ultimate debacle, which has meant the replacing of the old money unit with a new money unit of vastly less purchasing power than the replaced currency. Examples of this unhappy development are legion.

It is reasonable to believe that the recent congressional action in eliminating the gold reserve requirement against Federal Reserve bank deposit liabilities, will be accepted by foreign central banks as proof positive that the American government does not intend to return to fiscal responsibility. Instead of restoring confidence in the future of the dollar, the action cannot fail to have the opposite effect. That being the case, foreign central banks will have three choices with reference to their short-term dollar claims in excess of their necessary working balances: (1) Convert the excess now into gold at \$35 per ounce, or (2) wait a while and convert the excess at, say, \$70 per ounce, or (3) wait still longer and get only Federal Reserve notes.

Since these banks are knowledgeable, most of their countries having gone through this currency inflation wringer whereas the United States has not, it would be expected that more such banks would exercise the first option. Aready, since the first of the year more than \$1 billion has been lost from our gold stock. This writer expects that loss to continue and to accelerate until our newly released free gold is almost gone.

As that time approaches, the Government will be forced to decide between three alternatives: (1) Either to lower the gold reserve requirement against Federal reserve notes from the present level of 25 percent to, say, 10 percent; or (2) to raise the price of gold from \$35 per ounce to a probable \$70 per ounce; or (3) to stop all convertibility into gold. This last named action would place the country on an outright paper money standard. Of the three alternatives, it is believed that the government would approve the first named which would free up several more billions of dollars in gold for sale to foreign central banks. This step would provide some additional months in which to solve the "perplexing" balance of payments problem. However, the period of time thus bought would probably be short because it could be expected that the outward flow of gold would accelerate sharply. Eventually the hard decision between devaluation (raising the price of gold) or stopping all convertibility into gold would be forced on the Government.

The average American citizen is not now disturbed by what has happened to the Nation's gold stock and he is not likely to be much disturbed by the sequence of probable developments outlined above. He has no understanding of the lasting value of a monetary gold reserve and he has never seen, much less handled, a gold coin. To him, the gold problem now seems remote indeed.

It is true that a modest but steadily growing internal flight from the dollar has developed during recent years. This has involved switching by knowledgeable individuals and institutions out of fixed income securities and bank balances into various areas which are believed to provide purchasing power protection such as: real estate, common stocks, silver bullion, and bank balances abroad—especially in Switzerland. Although only a trickle at the moment, this flight from the dollar could quickly become a torrent if the public should develop wholesale loss of confidence in the integrity of the dollar. Many things could cause such a

change in mass psychology: physical disablement of the President, a series of serious bank or savings and loan failures, or an unfavorable international development.

In the opinion of this writer, the event which is most likely to tee off a massive internal flight from the dollar is the imminent debasement of our fractional silver coinage. This debasement, which probably will occur within a matter of months, will be forced by a simple demand-supply situation with reference to metallic silver. World production of silver is running at about 200 million ounces per year, whereas world consumption of silver during 1964, for industrial and coinage use, was in excess of 500 million ounces. The difference of 300 million ounces was provided almost entirely by the U.S. Treasury out of its huge stock acquired under various silver purchase acts. That stock, which has declined rapidly in recent years, was reported on December 31, 1964, at 1,193 million ounces. This amount would appear to be adequate to cover the annual world production deficit of 300 million ounces for some 4 years.

However, it is certain that the supply will not last that long. In the first place, the Defense Department will insist on a substantial stockpile—a figure of some 600 million ounces has been reported in the press. Second, with the spot price of silver at the melting point of the silver dollar and future prices much higher, inventory accumulation by industry and hoarding by individuals can be expected to increase rapidly. Third, the spot price of \$1.293 is being maintained by Treasury redemption of silver certificates, almost entirely \$1 bills, which currently are being replaced by \$1 Federal Reserve notes as rapidly as they wear out. The amount of silver certificates now in active circulation is not known, but it must be relatively small and it is certain to diminish very rapidly. About four out of every five \$1 bills now received in daily change are Federal Reserve notes. Once silver certificates are no longer available for redemption in silver bullion at \$1.293 per ounce, the spot price can no longer be pegged and it can be expected to rise rapidly to \$1.332 which is the melting point of the fractional silver coin. This will present an untenable situation.

It is known that, for many months, the Treasury has been working to find the best solution for the inevitable fractional silver coinage debasement. During the course of this study, it is certain that consideration has been given to the use of base metals such as aluminum or stainless steel, alloys, plastics, and a reduction in the fineness of the silver content. A recent news story suggests that a decision has been made to retain one silver-containing coin, presumably the half dollar, with the silver content reduced from the present 90 percent to a probable 50 percent, with the quarters and dimes to be made of a copper-nickel alloy.

Regardless of the final decision, it is certain that the public will take notice of this changeover. Everyone handles fractional silver and everyone will be placed on notice that something is wrong with the currency situation. Incidentally, a major problem in logistics is posed. The mints are reported to be running 24 hours a day and 7 days a week to keep pace with the present demand for coins. Under these circumstances, it will be impossible to build up a supply of debased coins to replace the present fractional silver in circulation. Moreover, the mints cannot mint the debased coinage without congressional authorization. Once the Congress begins debate on such a bill, the word is out and Gresham's law is certain to take over. It is not only possible but probable that the transition period must be accomplished by the use of fractional paper currency, similar to the "shinplasters" of Civil War vintage.

All of these developments can be expected to disturb the public as to the integrity of

the dollar in which their savings are denominated. If a wholesale loss of confidence in the dollar should result, as is quite possible, a massive internal flight from the dollar should be expected. Such a flight would probably be directed first at demand deposits in commercial banks. Wholesale withdrawals of demand deposits from commercial banks could easily result in the imposition of a bank holiday, which could scarcely last longer than a week or 10 days. During such a period, numerous Government restrictions could be expected all aimed at limiting the conversion of dollars into tangible properties, foreign exchange, and common stocks.

If the Nation must endure a monetary crisis of this type, it is to be hoped that it will come sooner rather than later when the gold reserve will have been much further depleted. It would be hoped that an experience such as this would force an overwhelming realization that neither this Nation, nor any other nation, can indefinitely follow a program of deficit spending, however worthy or useless the spending programs might be. In this event and by popular demand it is not only possible but probable that the American Government will be forced to return to fiscal responsibility. If this should occur, the cost, however great, will not have been in vain.

ADDRESS BY THE HONORABLE WILLIAM JENNINGS BRYAN DORN TO NATIONAL DEFENSE COMMITTEE OF THE NATIONAL SOCIETY, DAUGHTERS OF THE AMERICAN REVOLUTION

Mr. TODD. Mr. Speaker, I ask unanimous consent that the gentleman from South Carolina [Mr. GETTYS] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. GETTYS. Mr. Speaker, it is my pleasure to insert in the RECORD the brilliant and hard-hitting address of our colleague, the Honorable WILLIAM JENNINGS BRYAN DORN, delivered in Washington, D.C., on April 19, 1965, to the National Defense Committee of the National Society, Daughters of the American Revolution.

My colleague in his timely address aptly expressed the views of a large majority of our people regarding Communist aggression in southeast Asia.

ADDRESS OF THE HONORABLE WILLIAM JENNINGS BRYAN DORN, MEMBER OF CONGRESS FROM SOUTH CAROLINA, AT THE NATIONAL DEFENSE COMMITTEE LUNCHEON OF THE NATIONAL SOCIETY, DAUGHTERS OF THE AMERICAN REVOLUTION, WASHINGTON, D.C., APRIL 19, 1965

Madam Program Chairman, Mrs. Jones; Madam President General, Mrs. Duncan; distinguished guests; charming and beautiful ladies, I want to thank the luncheon committee, headed by Mrs. Martin, and the national defense committee for arranging such a splendid luncheon. I left South Carolina this morning at 5 o'clock in order to be with you today and am having to go back this afternoon, but I did want to tell you how much the great majority of us on Capitol Hill have appreciated over the years the splendid work that you have done in maintaining a proper and adequate defense for our country—a defense which has been successful against all enemies. I want to take this opportunity, too, to tell you that I know of no organization in the United

States of America of which I am more proud or of one which has meant as much to me, personally, as the Daughters of the American Revolution. Your president general has been and is an outstanding salesman and ambassador, not only for your great organization but for our American way of life. Mrs. Duncan, I congratulate you and extend to you the admiration and love of my people in South Carolina.

We are in war today in southeast Asia, in Africa, and in many places throughout the world. I am devoting as much of my personal time as possible all over the United States to awaken the American people to that fact. Yes, we are engaged in a bloody, costly, and desperate war in South Vietnam.

In this key area of the world we are fighting a war for freedom. We are meeting head on those exponents of totalitarianism who seek to destroy our way of life. Yes, the Far East is the key area of the world. It is the area selected by our Communist enemies at the moment to make a drive in their bid for world conquest.

The war in South Vietnam is a stepping-stone by the Communists to conquer first southeast Asia and then all of southern Asia and north Africa, outflanking Western Europe.

Let us look for just a moment at the immense and startling power of Red China. We are reliably informed on Capitol Hill that in the last 14 years they have created a standing professional army of well over 2 million soldiers and they are excellent combat troops. Added to this number is a militia of an estimated 100 million men and an air force upward of 2,000 planes; and they, of course, as you so well know, have the atomic bomb. They are now well on the way, we are informed, toward developing a hydrogen bomb.

This is the monster with which we are confronted at this moment. I might remind you it was more than 40 years ago that Lenin was reported as having said that the road to Paris is the road through Peiping. The Communists have Peiping and they are on that road in South Vietnam today toward Paris and Western Europe.

They are driving for uranium, oil, tin, rubber, and the "cannon fodder" of southeast Asia. If they are permitted to conquer and consolidate the 150 million in the Malay States—Thailand, Burma, South Vietnam, and Indonesia—India would fall. India, a nation of 450 million people, would be wide open to attack. The next step on the road to Paris will then be the Near East, with 67 percent of the world's untapped oil, only a step away from Africa. Where will we be then?

You know, it was many years ago that Commodore Perry warned, before the National Geographic Society in New York City (1856) that someday the Western World would meet the forces of totalitarianism in southeast Asia in a death struggle for the control and domination of the world. Theodore Roosevelt issued a similar warning, a warning against the consolidation of all the peoples of Asia into one totalitarian, ruthless, autocratic form of government. It happened once before, under Genghis Khan many centuries ago, and the only thing that saved Western Europe was the untimely death of Genghis Khan. His son then pulled back the Khan armies from central Europe which were poised to conquer Western Europe. Yes, the road to Paris is the road through South Vietnam, Singapore, Indonesia, Calcutta, Dhadrán, Alexandria, and into north Africa. The Communists are on that road today.

We must stand firm in southeast Asia. I want to emphasize that this is the road to outflank Western Europe. There are some leaders in this country who for many years have been obsessed only with the idea of defending and pouring economic aid into Western Europe. Western Europe is impor-

tant, of course, but we need to be reminded today that Western Europe is just a small peninsula, that and nothing more, on the great Afro-Eurasian land mass; and if Asia and north Africa fall to the Communists, Western Europe will fall without firing a shot.

We fail to believe what the Communists have written. We did not believe what Hitler wrote about his blueprint for world conquest. There are those in our country today, much to my dismay, who do not believe the Communists have a plan for world domination.

I have been shocked by some of my prominent colleagues who want to abandon southeast Asia altogether and pull out. If we do abandon southeast Asia, I would like to ask these gentlemen: Where are we to make a stand? You know some of them say that this is a bloody, nasty war in South Vietnam. It is a long way from home. The terrain is bad. There are swamps and quagmires. But I would like to ask my distinguished colleague who spoke to some self-styled peace demonstrators here on Saturday if the terrain is any better in Alaska or will we be any better prepared to meet the united, combined might of Russia and China in Idaho or Oregon? Is the terrain in the Rocky Mountains any better?

I say that the front line of American defense and that of Western Europe today is southeast Asia and we must stand firm in that area of the world.

This is a war, but a new kind of war, a new kind of aggression. The Communists tried open aggression in Greece. They tried, to a degree, open aggression in the Philippines. They tried open aggression in South Korea. Today they are trying a different type of aggression, where men and women are sent in who are similar to the people of South Vietnam—similar in appearance and language. These agents are saboteurs, infiltrators, espionage experts, and proponents of "termite tactics." This is the method of aggression being practiced at the moment. We must meet this aggression. We must force this new aggressor to withdraw to his own country and his own land. To me, it would be unthinkable to sit down and negotiate, particularly with a truce, while this group consolidates its position. I would like to remind my fellow countrymen that during the time of the Korean truce and the Korean cease-fire, the only Chinese Army worthy of the name had been destroyed in North Korea, so we sat down for 2 long years at the negotiating table with a truce and a cease-fire while Red China trained five whole new combat armies, and they have been on the 38th parallel ever since. Let us not make that same mistake again.

Yes, the terrain is rough. It is a bloody war. It is not the kind we like. But it is better than fighting in Hawaii or Alaska. We have to make a stand somewhere, because these people are bent on world conquest. It is written in their books. It is basic Communist dogma. Their every action indicates it. They have broken virtually every treaty they have signed with the free world. We must stand firm in southeast Asia and support our Commander in Chief. This administration realizes that we must stand firm in southeast Asia and Vietnam. There has been a great deal of pressure all over this country in the form of demonstrations and speeches, trying to pressure the Congress and the President into pulling out. I would like to remind the people of this great country of a very said incident in 1938. All of you know about it, but I would like to repeat it for emphasis. One of the most pathetic figures in all the history of the world, Neville Chamberlain, with his Foreign Minister, Lord Halifax, and Daladier and Bonnet of France, went to Munich. Chamberlain had never flown in a plane before. He was so scared he did not know what to do, but he was more afraid of Hitler and

Mussolini, so he got on that plane with his teeth chattering and his knees knocking together, and flew to Munich to meet with these greedy, ruthless dictators, and there they signed away the birthright and the freedom of Czechoslovakia. I remember as a boy seeing it in the newspapers—Chamberlain's coming back to London in the rain, with his umbrella and his high top hat; yes, a pathetic figure, one that had been duped; and he had a smile on his face and he held up this piece of paper, signed by Adolph Hitler and Mussolini, and said, "My fellow Britons, this means peace in our time." Chamberlain, by his appeasement, by this withdrawal of support from the free Republic of Czechoslovakia, by this surrender of principle, by this collaboration with evil dictators, contributed to World War II. Chamberlain and Daladier, thus were just as responsible as Hitler himself for the terrible carnage of World War II. A few months after Munich, Hitler ordered his legions into the free Republic of Poland.

Oh, I want to warn this country of the fallacy of sitting down and making agreements with the exponents of evil. My Bible says that you cannot serve God and mammon. We cannot coexist with slavery and evil.

What is the answer to this situation all over the world? Some people tell me that there is a Sino-Soviet rift. Let me say that Kosygin recently, when he was in Hanoi, the capital of North Vietnam, proposed aid to the aggressor nation. He went on to a big conference with Mao Tse Tung in China. They seemed to be in agreement. I would certainly hesitate to ever predicate the future security of our Nation on even the remote possibility that there might be a Russia-China rift. They seem to be working together today. Kosygin has promised to send manpower into North Vietnam. He has promised to send planes. So has Red China. I see no real ideological differences between these aggressive giants. Maybe they are having a family quarrel at the moment, yes, but we must not be duped. We must not be fooled. We must plan our security and our Armed Forces to meet both of them if that day should come.

Both Russia and the United States today have vast stockpiles of atomic weapons. Russia may just sit back and, under the table, encourage the manpower of Red China to move on into southeast Asia and overrun all of Asia while they say to the United States, "If you come in and use atomic weapons, so will we."

We might find ourselves at the greatest disadvantage in history with 50 million men moving into southeast Asia unless we continue to have manned bombers and unless we continue to use our science and technology to the best advantage. We cannot fight 750 million people with manpower alone in the swamps of southeast Asia, but with our science and technology, I believe we can maintain the peace.

I would like to remind you, my patriotic fellow Americans, that England was a small island on the map of the world about 500 years ago with only 13 million people. She did not try to match the manpower of continental Europe, of Russia and later of Philip II of Spain, Frederick the Great, and the great land powers of western Europe. England concentrated on that in which she excelled—science and technology. She built a Navy and Britannica ruled the waves for nearly 400 years.

I think that challenge is open to our country today, to use our science and technology for peace. I will say this: It is important to control space. It is important for your country and mine to control space for peace. If Russia gains control of the moon and establishes bases in outer space, it will be for conquest, for war and slavery. From control of space Russia could eliminate our

Christian faith and our Constitution and those things we cherish and love. If the United States of America reaches the moon first, if we control space, it will be for freedom; it will be to protect and preserve the worth and dignity of the individual. So we must maintain the strongest military forces in the world, backed up by adequate reserves at home. We must be first in space. It is not beyond the realm of possibility. We are a great people and we can do it. We have the scientific know-how. We only need the will.

There are those today who say that this is an enlightened age, that we can just make an appeal to morality and people will do right because it is right. My friends, do not believe that for one moment. I have been in areas of the world where there was no government and there was a great appeal for morality and for people to do what they felt was right. Yet the churches were destroyed and desecrated, windows were knocked out of schools, and decent people were driven underground. Even in the United States of America, we must have a police force, a State patrol in the States of our Union, State law enforcement agencies, and the FBI in order that decent people and God-fearing people might be protected in their prosaic duties and in their individual rights.

Liberty, to be preserved, demands discipline and restraint; even in a nation such as ours where the vast majority of our people are educated. Democracy, in order to survive, must be disciplined. It must be restrained. I must respect the rights of my neighbors. I like to talk with my young people, some of whom are being indoctrinated this day and time with various forms of progressive education where they are taught that you cannot repress an individual, that you cannot tell him what to do, that you must never say "do not" to them or it will give them a complex. This goes along with national defense. I have mentioned the Army, the Air Force, the Navy, and space. I have talked about standing firm in southeast Asia, Cuba, Berlin, and all over the world, but right here at home we must practice discipline and restraint. Yes, I tell my young people, my high schools, that the Congress itself is disciplined or else we could not pass legislation. We have a Sergeant at Arms in the House of Representatives—his name is Zeke Johnson. We are not permitted to smoke on the floor of the House; we cannot refer to our colleagues in any other term than "the gentleman from Massachusetts" or "the gentlewoman from Illinois." We have discipline. We have rules and regulations. You know what would happen if any of us came in and lay down on the floor of the House of Representatives before the Speaker; we would be thrown out.

Yes, democracy, in order to survive, in order to paint the proper picture before the world, in order to maintain the essence of civilization and respect for the rights of others, must be disciplined.

I want to warn you about a new, strange phenomenon sweeping the world today. Every time the Communists call for incidents in Berlin, every time they move in the Congo, or rattle the saber in Cuba and southeast Asia, you see students throughout the world who want to demonstrate. This is a strange and dangerous phenomenon occurring throughout the world. You remember a few years ago in Seoul, South Korea, on a quiet morning thousands of students started gathering in the streets. It did not just happen. They were not demonstrating against any real persecution. They were encouraged to go down into the capital of South Korea and they gathered there day after day until their number reached hundreds of thousands. They blocked the deployment of the

armed forces of that country and overthrow a government headed by a man who I think, along with Chiang Kai-shek and Douglas MacArthur, was one of the greatest men of this age, Syngman Rhee. They forced him out of his country and overthrew the government.

Look at the government we have had in South Vietnam. Largely as a result of demonstrations, they have had no stable government at all. A year ago last January a group of students in Panama, at the university, pushed into the Panama Canal Zone where they attacked in open combat the Armed Forces of the United States guarding this vital artery between the Pacific and the Atlantic. Students overthrew the Government of Turkey some years ago. They have participated in the overthrow of African governments too numerous to mention.

Ladies and gentlemen, it is a technique aimed at freedom and the very heart and core of this country. It was employed successfully by the Nazis in May 1940. You remember how they seized the radio stations and jumped on the air and said that all the women and children should flee. Oh, they always use children. They said, "Fall out in the streets, flee for your lives"; and the great highways of France were blocked by children, mobs, and demonstrators. The crack French divisions could not get to the front in time, and the Nazis' panzers swept on to the English Channel.

It is a sinister diabolical technique. They know what they are doing. They are called out in strategic areas, and in the United States of America today, children who are being taken out of school, herded into the streets, and urged to throw whisky bottles and brick-bats at policemen in uniform today could be hurling lead at the Armed Forces of the United States tomorrow.

This is a technique that we must stop at its very inception. You can help us do it, you wonderful ladies, throughout this Nation. I saw so many of you who raised your hands a moment ago, representing the various regions throughout the length, width, and breadth of this great country. The challenge is yours and you will meet this challenge. You need some help in order to get this country back on an even keel.

Yes, we are passing through perilous times. We are in a critical era at home and abroad, but the challenge is not too great. We must sell Americanism. What can we do? Remain strong, and you are helping to do that. I never like to talk to any group and just be against something. I like to be for something, and I am thinking with you today what we might do about this situation. One thing we can do is to sell Americanism. A lady came dashing up to me not long ago in Savannah, Ga., at the De Soto Hotel, and said, "I want you to list for me the ways I can be against communism." Imagine that. She thought there was some hypothetical theory, some mathematical formula that she did not know about, a secret way to be against communism.

I did not write one thing on her tablet. I simply said, "You go back and be for Americanism. Be for the Constitution. Be for the Declaration of Independence. Be for the Bill of Rights. Be for a balanced budget. Be for sound money. Be for our private enterprise system. Be for a strong national defense."

We are not going to stop communism by being only against it. We must put something in the hearts and minds of the people of the world so communism cannot get in. That something is individual liberty and a belief in and a dedication to an omnipotent Being. Our form of government excels any in the history of the world. Our private enterprise system fostered by our Constitution has made the United States the arsenal of democracy and the hope of all free peoples.

Let me say this: People like to talk about how great and feared the Socialist society is, but let me remind my fellow Americans that when Guderian stood looking at the Kremlin from 13 miles away through his field-glasses, it was your tanks, gunpowder, ammunition, uniforms, trucks and wheels, made by American private enterprise, that saved this society of which everyone seems to be so afraid. Let us rededicate ourselves to that free private enterprise system with the profit motive. I am proud of the profit motive and what it has done for this country. We have the highest standard of living in the world and the highest ever known by man.

So I came here today to congratulate you, to thank you for your fidelity, loyalty, and devotion to the United States, and to ask you to develop in your children and grandchildren the same traits of character that made General Nelson at Yorktown order the firing on his own house although he never received any remuneration for it.

Let us sell Americanism with the same zeal, know-how, finesse, and genius of public relations as we sell our automobiles, television sets, radios, and the other fantastic products of American industry. If the United States of America would do this we could win the cold war hands down. It would not even be a contest, if we just sell our Bill of Rights, the worth and dignity of man and the great system that our Constitution has fathered. We must sell it to the world, to our neighbors and friends, and the best way to do it as individuals is to tell our own children and grandchildren about it.

We must be strong, and so I commend you for the stand that you have always taken for a strong America, militarily, morally, and spiritually. We must rededicate ourselves as never before to the cause of freedom in this wonderful country, as espoused by the Founding Fathers.

Yesterday was Patriots Day in some of the New England States, commemorating Paul Revere's ride, commemorating the battles of Lexington and Concord. I wish more American flags would be flown at the homes of the people of this Nation on days commemorating the gallant deed of our forefathers. The Daughters of the American Revolution is doing its part to honor our heritage and secure the future through strength.

You know, of the beautiful 50-star U.S. flags that were flying on the birthday of George Washington, the Father of our Country, the greatest number across the country were in the homes of members of the Daughters of the American Revolution or those young people whom they have influenced, so I congratulate and commend you for your great efforts on the homefront.

We need your help to stand firm in South Vietnam. You can tell the American people why we are there and encourage them to persevere until victory. Should we withdraw, it will whet the appetite of our Red enemies for more aggression. Withdrawal will lead to world war III. Through victory in South Vietnam, we can make our greatest contribution to peace. Appeasement is the road to war and destruction of the world. We must learn the lessons of Munich, Manchuria, Ethiopia, and the Rhineland. Our boys are fighting in South Vietnam for peace. They are fighting for justice. They are fighting for a gallant and courageous people. They are fighting to prevent the spread of war and desolation. They need the love, understanding, support, and prayers of all the American people. You, the Daughters of the American Revolution, have kept alive those principles which enabled the Founding Fathers to pledge for liberty their lives, fortunes, and sacred honor. Our forefathers created a free nation. We can and will create a free world.

DEATH OF JAMES CHANEY, ANDREW GOODMAN, AND MICHAEL SCHWERNER AROUSED MORAL INDIGNATION OF THE ENTIRE COUNTRY

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

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

There was no objection.

Mr. MURPHY of New York. Mr. Speaker, a year ago, the Nation was outraged and appalled at the murder of civil rights workers James Chaney, Andrew Goodman, and Michael Schwerner, a brutal and despicable crime which thus far has gone unpunished.

Nothing, of course, can wipe out this tragic blot on our Nation. But the deaths of these three young men aroused the moral indignation of the entire country.

Millions who had been apathetic to the cause of civil rights joined the fight for equal rights to all in a surge of determination that brought about the civil rights bill, which will stand as a memorial to James Chaney, Andrew Goodman, and Michael Schwerner. Their deaths were not in vain.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. GREEN of Oregon (at the request of Mr. ALBERT), for today, on account of illness.

Mr. CHARLES H. WILSON (at the request of Mr. SISK), for June 14 through June 24, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. THOMPSON of Texas, for 30 minutes, today; and to revise and extend his remarks and include extraneous matter.

Mr. LAIRD, for 15 minutes, today; to revise and extend his remarks and to include extraneous matter.

Mr. EDMONDSON, for 30 minutes, on Thursday, June 24.

Mr. MATHIAS, for 30 minutes, today.

(The following Members (at the request of Mr. HUTCHINSON) and to revise and extend their remarks:)

Mr. ELLSWORTH, for 60 minutes, on June 28.

Mr. BATTIN, for 15 minutes, today.

Mr. HALPERN, for 5 minutes, on June 24.

Mr. QUIE, for 60 minutes, on June 28.

Mr. FOLEY (at the request of Mr. TODD), for 5 minutes, on June 24; to revise and extend his remarks and to include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL

RECORD, or to revise and extend remarks was granted to:

Mr. MAHON to revise and extend remarks to be made by him today and to include therein pertinent extraneous matter, charts, and tables.

Mr. FINO.

Mr. ROGERS of Florida.

Mr. LIPSCOMB to revise and extend his remarks during debate on the Defense Department appropriation bill, and to include tables and other extraneous matter.

Mr. LAIRD during general debate on the Defense appropriation bill for 1966 and to include charts, tables, and other extraneous matter.

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

Mr. DEVINE.

Mr. CORBETT.

Mr. MATHIAS in two instances.

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

Mr. HEBERT.

Mr. MOORHEAD.

Mr. FASCELL.

Mr. SCHEUER.

Mr. SICKLES.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1796. An act to amend the Small Business Act to provide additional assistance for disaster victims.

ADJOURNMENT

Mr. TODD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 30 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, June 24, 1965; at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1255. A communication from the President of the United States, transmitting proposed supplemental appropriations for the Department of Labor for fiscal year 1966 (H. Doc. No. 211); to the Committee on Appropriations, and ordered to be printed.

1256. A letter from the Secretary of the Army transmitting a letter from the Chief of Engineers, Department of the Army, dated May 21, 1965, submitting a report, together with accompanying papers and illustrations, on a review of the reports on San Diego River (Mission Valley), Calif., requested by a resolution of the Committee on Public Works, House of Representatives, adopted June 3, 1959 (H. Doc. No. 212); to the Committee on Public Works and ordered to be printed with four illustrations.

1257. A letter from the Secretary of the Army transmitting a letter from the Chief of Engineers, Department of the Army, dated May 19, 1965, submitting a report, together with accompanying papers and illustrations, on an interim hurricane survey of Biscayne Bay, Fla., authorized by Public Law 71, 84th

Congress, approved June 15, 1955 (H. Doc. No. 213); to the Committee on Public Works and ordered to be printed with four illustrations.

1258. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated May 19, 1965, submitting a report, together with accompanying papers and illustrations, on a review of the report on Jacksonville Harbor, Fla., requested by a resolution of the Committee on Public Works, House of Representatives, adopted May 9, 1957 (H. Doc. No. 214); to the Committee on Public Works and ordered to be printed with two illustrations.

1259. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated April 26, 1965, submitting a report, together with accompanying papers and illustrations, on a cooperative beach erosion control study and an interim hurricane survey of the Atlantic Coast of New York City from East Rockaway Inlet to Rockaway Inlet and Jamaica Bay, N.Y., authorized by the River and Harbor Act approved July 3, 1930, as amended and supplemented, and Public Law 71, 84th Congress, approved June 15, 1955 (H. Doc. No. 215); to the Committee on Public Works and ordered to be printed with illustrations.

1260. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated May 21, 1965, submitting a report, together with accompanying papers and illustrations on an interim report on Gila River Basin, New River and Phoenix City streams, Ariz., authorized by the Flood Control Act approved June 28, 1938 (H. Doc. No. 216); to the Committee on Public Works and ordered to be printed with two illustrations.

1261. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated March 29, 1965, submitting a report, together with accompanying papers and an illustration, on a review of the report on Chocolate Bayou, Tex., requested by resolutions of the Committees on Public Works, U.S. Senate and House of Representatives, adopted June 30, 1960 (H. Doc. No. 217); to the Committee on Public Works and ordered to be printed with one illustration.

1262. A letter from the House of Representatives of Uruguay, Montevideo, Uruguay, transmitting a declaration expressing its protest against the landing of marines in the Dominican Republic; to the Committee on Foreign Affairs.

1263. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting a report involving suspension of deportation in the case of Yee Min Yow, also known as Gin Shew Ngin, XXXXXXXXXX pursuant to Public Law 87-885; to the Committee on the Judiciary.

1264. A letter from the Chairman, Immigration and Naturalization Service, U.S. Department of Justice, transmitting a report involving suspension of deportation in the case of Isabel Correa de Soto, XXXXXXXXXX pursuant to Public Law 87-885; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DULSKI: Committee on Post Office and Civil Service. H.R. 2035. A bill to provide for cost-of-living adjustments in star route contract prices; with amendment (Rept. No. 543). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government operations. Fourteenth report on proposed closing of public health service hospitals; without amendment (Rept. No. 544). Referred to the Committee of the Whole House on the State of the Union.

Mr. MADDEN: Committee on Rules. House Resolution 433. Resolution for consideration of House Joint Resolution 541, joint resolution to extend the Area Redevelopment Act for a period of 2 months; without amendment (Rept. No. 545). Referred to the House Calendar.

Mr. SISK: Committee on Rules. House Resolution 434. Resolution for consideration of H.R. 4822, a bill to authorize the prosecution of a transit development program for the Nation's Capital region, and to further the objectives of the act of July 14, 1960; without amendment (Rept. No. 546). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 435. Resolution for consideration of H.R. 8926, a bill to provide for the coinage of the United States; without amendment (Rept. No. 547). Referred to the House Calendar.

Mr. FASCELL: Committee on Foreign Affairs. H.R. 8715. A bill to authorize a contribution by the United States to the International Committee of the Red Cross; without amendment (Rept. No. 548). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BOLAND:

H.R. 9355. A bill to amend the act of December 11, 1963, to extend the period during which Secret Service protection may be furnished Mrs. Jacqueline Bouvier Kennedy and her minor children; to the Committee on Post Office and Civil Service.

By Mr. CALLAN:

H.R. 9356. A bill to amend the Packers and Stockyards Act of 1921, as amended, and for other purposes; to the Committee on Agriculture.

H.R. 9357. A bill to permit Nebraska to obtain social security coverage, under its agreement with the Federal Government, for policemen and firemen in positions covered by a State or local retirement system and to validate the wages previously reported erroneously under such agreement for certain fireman covered by such a retirement system; to the Committee on Ways and Means.

H.R. 9358. A bill to validate, for purposes of social security coverage, wages reported erroneously, under the agreement with the State of Nebraska under section 218 of the Social Security Act, for certain firemen covered by a State or local retirement system; to the Committee on Ways and Means.

By Mr. FOGARTY:

H.R. 9359. A bill to amend title II of the Social Security Act to provide disability insurance benefits thereunder for any individual who is blind and has at least six quarters of coverage, and for other purposes; to the Committee on Ways and Means.

By Mr. FULTON of Pennsylvania:

H.R. 9360. A bill to amend title 38 of the United States Code to provide that World War II and Korean conflict veterans entitled to educational benefit under any law administered by the Veterans' Administration who did not utilize their entitlement may transfer their entitlement to their children; to the Committee on Veterans' Affairs.

By Mr. HELSTOSKI:

H.R. 9361. A bill to amend title 39, United States Code, to provide a new system of overtime compensation for postal field service employees, to eliminate compensatory time in the postal field service, and for other

purposes; to the Committee on Post Office and Civil Service.

H.R. 9362. A bill to adjust the rates of basic compensation of certain officers and employees in the Federal Government, to establish the Federal Salary Review Commission, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. JOELSON:

H.R. 9363. A bill to adjust the rates of basic compensation of certain officers and employees in the Federal Government, to establish the Federal Salary Review Commission, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MATHIAS:

H.R. 9364. A bill to amend the act of April 22, 1960, to authorize the Secretary of the Interior to acquire 600 additional acres at the Antietam Battlefield in the State of Maryland; to the Committee on Interior and Insular Affairs.

H.R. 9365. A bill to authorize appropriations to study the feasibility and desirability of reconstructing dam No. 6 on the Potomac River; to the Committee on Interior and Insular Affairs.

H.R. 9366. A bill to establish the Chesapeake and Ohio Canal National Historical Park, in the State of Maryland, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ROUDEBUSH:

H.R. 9367. A bill to provide for increases in the uniform allowances of Government employees, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SAYLOR:

H.R. 9368. A bill providing for the disposition of judgment funds of the Omaha Tribe of Indians; to the Committee on Interior and Insular Affairs.

By Mr. GERALD E. FORD:

H.R. 9369. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. QUIE:

H.R. 9370. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. LAIRD:

H.R. 9371. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. RHODES of Arizona:

H.R. 9372. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. GOODELL:

H.R. 9373. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. POFF:

H.R. 9374. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. GROVER:

H.R. 9375. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. ROBISON:

H.R. 9376. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. YOUNGER:

H.R. 9377. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. STAFFORD:

H.R. 9378. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. NELSEN:

H.R. 9379. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. ANDERSON of Illinois:

H.R. 9380. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. SHRIVER:

H.R. 9381. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. ERLNBORN:

H.R. 9382. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. TALCOTT:

H.R. 9383. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. UTT:

H.R. 9384. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. McDADE:

H.R. 9385. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. WHALLEY:

H.R. 9386. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. CURTIN:

H.R. 9387. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. SCHNEEBELI:

H.R. 9388. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. JOHNSON of Pennsylvania:

H.R. 9389. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. BROYHILL of Virginia:

H.R. 9390. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. REIFEL:

H.R. 9391. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. MIZE:

H.R. 9392. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. DEVINE:

H.R. 9393. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. CALLAWAY:

H.R. 9394. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. CARTER:

H.R. 9395. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. SKUBITZ:

H.R. 9396. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. BATTIN:

H.R. 9397. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. GRIFFIN:

H.R. 9398. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. WATSON:

H.R. 9399. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. HARVEY of Michigan:

H.R. 9400. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. LANGEN:

H.R. 9401. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. DUNCAN of Tennessee:

H.R. 9402. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. BATES:

H.R. 9403. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. MORSE:

H.R. 9404. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mrs. REID of Illinois:

H.R. 9405. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. SMITH of New York:

H.R. 9406. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. MACGREGOR:

H.R. 9407. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mrs. BOLTON:

H.R. 9408. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. BROCK:

H.R. 9409. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. DON H. CLAUSEN:

H.R. 9410. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. RUMSFELD:

H.R. 9411. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. WYDLER:

H.R. 9412. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. BROYHILL of Virginia:

H.R. 9413. A bill to authorize payment of necessary medical expenses for the care and treatment of certain retired officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the U.S. Park Police force, the White House Police force, and the U.S. Secret Service Division, and for other purposes; to the Committee on the District of Columbia.

By Mr. COOLEY:

H.R. 9414. A bill to amend and extend the cotton provisions of the Agricultural Adjustment Act of 1938, as amended, and related legislation, and for other purposes; to the Committee on Agriculture.

By Mr. NIX:

H.R. 9415. A bill to amend the act entitled "An act to promote the safety of employees and travelers upon railroads by limiting the hours of service of employees thereon," approved March 4, 1907, to the Committee on Interstate and Foreign Commerce.

By Mr. BARING:

H.R. 9416. A bill to provide authority for the payment of certain amounts to offset certain expenses of Federal employees assigned to duty at the U.S. Atomic Energy Commission Nevada Test Site, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BERRY:

H.R. 9417. A bill to revise the boundary of Jewel Cave National Monument in the State of South Dakota, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FASCELL:

H.R. 9418. A bill to amend the Agricultural Marketing Agreement Act of 1937 to permit marketing orders applicable to cel-

ery, sweet corn, limes, or avocados to provide for paid advertising; to the Committee on Agriculture.

By Mr. JOHNSON of Oklahoma:

H.R. 9419. A bill to provide for a survey by the Secretary of the Interior to establish the route of the Chisholm Trail and for the establishment of markers to identify such route, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MEEDS:

H.R. 9420. 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; to eliminate inequities in the application of Public Law 815 in certain military base closings; to make uniform eligibility requirements for school districts in Public Law 874; and for other purposes; to the Committee on Education and Labor.

By Mr. REINECKE:

H.R. 9421. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. SWEENEY:

H.R. 9422. A bill to prohibit and make unlawful the hiring of professional strikebreakers in interstate labor disputes; to the Committee on Education and Labor.

By Mr. TENZER:

H.R. 9423. A bill to amend title 39, United States Code, to provide a new system of overtime compensation for postal field service employees, to eliminate compensatory time in the postal field service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. THOMPSON of Louisiana:

H.R. 9424. A bill to provide for the conservation, protection, and propagation of native species of fish and wildlife, including migratory birds, that are threatened with extinction; to consolidate the authorities relating to the administration by the Secretary of the Interior of the national wildlife refuge system; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. VIVIAN:

H.R. 9425. 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; to eliminate inequities in the application of Public Law 815 in certain military base closings; to make uniform eligibility requirements for school districts in Public Law 874; and for other purposes; to the Committee on Education and Labor.

By Mr. MURPHY of New York:

H.R. 9426. A bill to establish and prescribe the duties of a Federal boxing commission for the purpose of insuring that the channels of interstate commerce are free from false or fraudulent descriptions or depictions of professional boxing contests; to the Committee on Interstate and Foreign Commerce.

By Mr. BERRY:

H.J. Res. 543. Joint resolution to amend the Constitution of the United States to guarantee the right of any State to apportion one house of its legislature on factors other than population; to the Committee on the Judiciary.

By Mr. HELSTOSKI:

H.J. Res. 544. Joint resolution that the United States reaffirms its support of the United Nations; to the Committee on Foreign Affairs.

By Mr. McGRATH:

H.J. Res. 545. Joint resolution that the United States reaffirms its support of the

United Nations; to the Committee on Foreign Affairs.

By Mr. ASHLEY:

H.J. Res. 546. Joint resolution that the United States reaffirms its support of the United Nations; to the Committee on Foreign Affairs.

By Mr. SWEENEY:

H.J. Res. 547. Joint resolution that the United States reaffirms its support of the United Nations; to the Committee on Foreign Affairs.

By Mr. TODD:

H.J. Res. 548. Joint resolution that the United States reaffirms its support of the United Nations; to the Committee on Foreign Affairs.

By Mr. DENT:

H. Res. 432. Resolution to authorize the Committee on Education and Labor to conduct an investigation and study of the operation of elementary and secondary schools by Federal agencies; to the Committee on Rules.

By Mr. POWELL:

H. Res. 437. Resolution providing for consideration of the bill (H.R. 77) to repeal section 14(b) of the National Labor Relations Act, as amended, and section 705(b) of the Labor-Management Reporting and Disclosure Act of 1959 and to amend the first proviso of section 8(a)(3) of the National Labor Relations Act, as amended; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII,

326. Mr. PRICE presented a memorial of the Senate of the 74th General Assembly of the State of Illinois in support of an amendment to the U.S. Constitution providing for a refund to each State of 10 percent of all Federal taxes collected therein without any restriction on the use of such refunds, which was referred to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BURTON of California:

H.R. 9427. A bill for the relief of Fong Hong; to the Committee on the Judiciary.

H.R. 9428. A bill for the relief of Lucian Chin; to the Committee on the Judiciary.

By Mr. DOW:

H.R. 9429. A bill for the relief of Sister Mary Sylvana (Maria Mattozzi); to the Committee on the Judiciary.

By Mr. DYAL:

H.R. 9430. A bill for the relief of Nicholas B. Perry; to the Committee on the Judiciary.

By Mr. FINO:

H.R. 9431. A bill for the relief of Silvio Tanzi; to the Committee on the Judiciary.

H.R. 9432. A bill for the relief of Mabel Brown; to the Committee on the Judiciary.

By Mr. FRELINGHUYSEN:

H.R. 9433. A bill for the relief of Vilma Vagi; to the Committee on the Judiciary.

By Mr. KARSTEN:

H.R. 9434. A bill for the relief of Charles C. Beary; to the Committee on the Judiciary.

By Mr. KEOGH:

H.R. 9435. A bill for the relief of Aser and Sarah Anselovits and Noa Dvora, Boaz and Jafa Anselovits; to the Committee on the Judiciary.

By Mr. KING of Utah:

H.R. 9436. A bill for the relief of Mehdi Heravi; to the Committee on the Judiciary.

By Mr. MATHIAS:

H.R. 9437. A bill for the relief of Mufeed J. Shihadeh; to the Committee on the Judiciary.

H.R. 9438. A bill for the relief of Mrs. Marcella Ippoliti and her children, Miss Stefania Ippoliti and Master Franco Ippoliti; to the Committee on the Judiciary.

By Mr. MULTER:

H.R. 9439. A bill for the relief of Ruchama Lebel; to the Committee on the Judiciary.

By Mr. POWELL:

H.R. 9440. A bill for the relief of Peggy Pel-chih Wang; to the Committee on the Judiciary.

By Mr. ROGERS of Florida:

H.R. 9441. A bill for the relief of Ruben Gutierrez Sitson and his wife, Carmen D. Sitson; to the Committee on the Judiciary.

By Mr. SCHMIDHAUSER:

H.R. 9442. A bill for the relief of Ki Sook Jun; to the Committee on the Judiciary.

By Mr. SLACK:

H.R. 9443. A bill for the relief of Dr. Manohar U. Hasrajani; to the Committee on the Judiciary.

By Mr. TUNNEY:

H.R. 9444. A bill for the relief of Steven Han-Pum Cheung; to the Committee on the Judiciary.

H.R. 9445. A bill for the relief of Yee Yam Pong and his wife, Wong Kam Fong; to the Committee on the Judiciary.

By Mr. WALKER of New Mexico:

H.R. 9446. A bill for the relief of certain employees and former employees of the Department of the Interior, National Park Service, and for other purposes; to the Committee on the Judiciary.

By Mr. CHARLES H. WILSON:

H.R. 9447. A bill for the relief of Mrs. Johanna Balogh; to the Committee on the Judiciary.

By Mr. BATES:

H.R. 9448. A bill for the relief of Giuseppe Vitale; to the Committee on the Judiciary.

these United States, and upon our legislators. Concretize their aspirations to eradicate poverty and disease from this Nation of plenty. Crystallize their hopes for a tolerant society. Answer their prayers that accompany their efforts to bring serenity, sobriety, and peace to a confused and despairing world.

All this we ask in Thy name, O Thou who art above us. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 22, 1965, was dispensed with.

MESSAGE FROM THE PRESIDENT

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

REPORT OF ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION— MESSAGE FROM THE PRESIDENT (H. DOC. NO. 218)

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

To the Congress of the United States:

Pursuant to the provisions of section 10 of Public Law 358, 83d Congress, I transmit herewith for the information of the Congress the Annual Report of the St. Lawrence Seaway Development Corp., covering its activities for the year ended December 31, 1964.

LYNDON B. JOHNSON.

THE WHITE HOUSE, June 23, 1965.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed the bill (S. 559) to regulate the labeling of cigarettes, and for other purposes, with an amendment, in which it requested the concurrence of the Senate; that the House insisted upon its amendment to the bill, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. HARRIS, Mr. ROGERS of Texas, Mr. O'BRIEN, Mr. KORNEGAY, Mr. SPRINGER, Mr. YOUNGER, and Mr. NELSEN were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1229) to provide uniform policies with respect to recreation and fish and wildlife benefits and costs of Federal multiple-purpose water resource projects, and for other purposes.

The message further announced that the House had agreed to the concurrent resolution (S. Con. Res. 36) expressing the sense of the Congress with respect to

the 20th anniversary of the United Nations during International Cooperation Year, and for other purposes.

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

H.R. 5497. An act to amend paragraphs b and c of section 14 of the Bankruptcy Act; and

H.R. 9220. An act making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Saint Lawrence Seaway Development Corporation, the Tennessee Valley Authority, and the Delaware River Basin Commission, for the fiscal year ending June 30, 1966, and for other purposes.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 416) to request the President of the United States to urge certain actions in behalf of Lithuania, Estonia, and Latvia, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 1796) to amend the Small Business Act to provide additional assistance for disaster victims, and it was signed by the Vice President.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H.R. 5497. An act to amend paragraphs b and c of section 14 of the Bankruptcy Act; to the Committee on the Judiciary.

H.R. 9220. An act making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Saint Lawrence Seaway Development Corporation, the Tennessee Valley Authority, and the Delaware River Basin Commission, for the fiscal year ending June 30, 1966, and for other purposes; to the Committee on Appropriations.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 416) to request the President of the United States to urge certain actions in behalf of Lithuania, Estonia, and Latvia, was referred to the Committee on Foreign Relations.

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

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

SUBCOMMITTEE MEETINGS DURING SENATE SESSIONS

On request of Mr. MANSFIELD, and by unanimous consent, the Subcommittee on Labor of the Committee on Labor

SENATE

WEDNESDAY, JUNE 23, 1965

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

Rabbi Abraham Chill, Congregation of Sons of Abraham, Providence, R.I., offered the following prayer:

Av Horachamim Shochan Bamromin.

God of mercy, who dwellest on high: In Thy fatherly care do we place our faith and our trust. Unto Thee our eyes are turned in humble supplication, and unto Thee our hearts are grateful for the abundance of blessings that Thou dost bestow upon us citizens of this great democracy.

Help us, O Heavenly Father, never to become casual, or to lose our sensibility, consciousness, and appreciation of Thy grace in permitting us to live and toil in a free and unshackled society. No greater gift can man ask; no greater gift can man receive.

O gracious Father, verily it was Thou who didst inspire man and give him the superlative intellect to solve the awesome mysteries in realms on high and in the areas beyond the horizon.

At the same time, we implore Thee to stir and move us to search for answers in the innermost recesses of our hearts, so that we may ferret out all vestiges of inhuman discriminations and unspeakable cruelties that are untenable in this advanced stage of civilization.

Finally, we ask Thy blessings upon the President and the Vice President of