By Mr. TEAGUE of California:

H.R. 7149. A bill for the relief of Manuel J. Vicent; to the Committee on the Judiciary.

By Mr. ALBERT:

H.R. 7150. A bill for the relief of Mrs. Lesline Gilbert Bryant; to the Committee on the Judiciary.

PETITIONS, ETC.

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

150. By Mr. CORMAN: Petition of John R. Brusati and the Patriots for Voluntary Enlistment urging immediate termination of compulsory military service; to the Committee on Armed Services.

151. By Mr. KING of Utah: Petition of the Central Utah Water Conservancy District in support of appropriation of funds by the 89th Congress, 1st session, for construction of the Bonneville unit of the Central Utah project; to the Committee on Appropriations.

152. By Mr. PHILBIN: Petition of the City Council of the City of Fitchburg, Mass., against the closing of the Rutland Heights, Mass., Veterans' Administration Hospital; to the Committee on Veterans' Affairs.

153. By the SPEAKER: Petition of the City Council, Gary, Ind., with reference to the restoration of full freedom of collective bargaining throughout the United States by repealing existing sanctions of State "right-to-work" laws; to the Committee on Education and Labor.

154. Also, petition of the City Council, Boston, Mass., with reference to requesting that the Government delay the sale of certain surplus lands; to the Committee on Government Operations.

155. Also, petition of Henry Stoner, Avon Park, Fla., with reference to urging Congress to use its powers under article I, section 8, clause 18, of the U.S. Constitution to define the term "proper standing," in a Federal or U.S. court; to the Committee on the Judiciary.

156. Also, petition of the Pointe Coupee Parish School Board, New Roads, La., with reference to requesting the continuance and expansion of the Nation's soil and water conservation programs; to the Committee on Agriculture.

SENATE

MONDAY, APRIL 5, 1965

The Senate met at 11 o'clock a.m. and was called to order by the President pro tempore.

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

O God, our Father, Thou art the shining presence at the high altar of our hearts, where blaze the candles of faith and hope and love.

Closing the doors of a noisy world, with all its terror and alarm, we would bow with contrite hearts at this shrine of quietness and peace, in communion with Thee, who hast made us for Thyself.

As before Thee we search our own hearts, we are shamed by what we are, yet lifted up by what is still within us to become. We confess the fickleness and folly which so often have disappointed us and Thee. Forgive us for smug satisfaction with ourselves and for cynical contempt of others. Purge our minds of the prejudices which separate us from others; cleanse our hearts of the uncleanness which blinds our eyes to Thee and to the godlike everywhere. Amidst all the busy shuttles of legislation, as here is woven the fabric of law and order shielding the life of our democracy, save us from being so enmeshed in the immediate mechanics of our tasks as to lose sight of the radiant pattern shown in the mount of vision.

In the dear Redeemer's name we ask it. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, April 1, 1965, was dispensed with.

REPORTS OF COMMITTEES SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of April 1, 1965, the following reports of committees were submitted on April 2, 1965:

By Mr. STENNIS, from the Committee on Armed Services, with amendments:

S. 800. A bill to authorize appropriations during fiscal year 1966 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluation for the Armed Forces, and for other purposes (Rept. No. 144).

By Mr. JORDAN of North Carolina, from the Committee on Agriculture and Forestry, with amendments:

H.R. 5721. An act to amend the Agricultural Adjustment Act of 1938, as amended to provide for acreage-poundage marketing quotas for tobacco, to amend the tobacco price support provisions of the Agricultural Act of 1949, as amended, and for other purposes; individual views filed (Rept. No. 145).

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Jones, one of his secretaries, and he announced that on April 2, 1965, the President had approved and signed the act (H.R. 1496) to authorize the release of certain quantities of zinc, lead, and copper from either the national stockpile or the supplemental stockpile, or both.

REPORT OF OFFICE OF MINERALS EXPLORATION—MESSAGE FROM THE PRESIDENT

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Interior and Insular Affairs:

To the Congress of the United States:

I transmit herewith the 13th Semiannual Report of the Office of Minerals Exploration from the Secretary of the Interior as prescribed by section 5 of the act of August 21, 1958, entitled "To provide a program for the discovery of the mineral reserves of the United States, its territories and possessions, by encouraging exploration for minerals, and for other purposes."

LYNDON B. JOHNSON.

THE WHITE HOUSE, *April 5, 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 following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 21. An act to provide for the optimum development of the Nation's natural resources through the coordinated planning of water and related land resources, through the establishment of a water resources council and river basin commissions, and by providing financial assistance to the States in order to increase State participation in such planning; and

S. 974. An act to amend the Manpower Development and Training Act of 1962, as amended, and for other purposes.

ORDER DISPENSING WITH CALL OF THE LEGISLATIVE CALENDAR UNDER RULE VIII

On request by Mr. MANSFIELD, and by unanimous consent, the call of the Legislative Calendar under rule VIII was dispensed with.

COMMITTEE MEETINGS DURING SENATE SESSION

On request by Mr. MANSFIELD, and by unanimous consent, the Committee on Foreign Relations and the Subcommittee on Indian Affairs of the Committee on Interior and Insular Affairs were authorized to meet during the session of the Senate today.

On request of Mr. MANSFIELD, and by unanimous consent, the Subcommittee on Housing of the Committee on Banking and Currency was authorized to meet during the session of the Senate today.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate go into executive session to consider the nominations on the Executive Calendar.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid befor the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

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

The PRESIDENT pro tempore. If there be no reports of committees, the clerk will state the nominations on the Executive Calendar.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

FARM CREDIT ADMINISTRATION

The Chief Clerk proceeded to read sundry nominations for members of the Federal Farm Credit Board.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

DEPARTMENT OF THE ARMY

The Chief Clerk read the nomination of Stanley R. Resor, of Connecticut, to be Under Secretary of the Army.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

U.S. ARMY

The Chief Clerk proceeded to read sundry nominations in the U.S. Army.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. NAVY

The Chief Clerk proceeded to read sundry nominations in the U.S. Navy.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. MARINE CORPS

The Chief Clerk proceeded to read sundry nominations in the U.S. Marine Corps.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Senate resumed the consideration of legislative business.

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS AND ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I have not requested a morning hour because it was my understanding that certain Senators were to be present to discuss the migrant labor problem. I ask unanimous consent that until those Senators arrive, there be a morning hour, which very likely will be continued after they have finished, and that statements during the transaction of the routine morning business be limited to 3 minutes.

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

EXECUTIVE COMMUNICATIONS, ETC.

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

PROPOSED LEGISLATION RELATING TO DISTRICT OF COLUMBIA

A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation to authorize appropriations for the payment of rewards to facilitate the capture of fugitives from District of Columbia institutions and conditional release and parole violators (with an accompanying paper); to the Committee on the District of Columbia.

A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation relating to compensation of summer school personnel of the public schools of the District of Columbia (with an accompanying paper); to the Committee on the District of Columbia.

A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation to authorize appropriations for the acquisition of land for the Washington Aqueduct by the Chief of Engineers, Corps of Engineers, U.S. Army (with an accompanying paper); to the Committee on the District of Columbia.

A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation to amend the act of July 11, 1947, to include members of the District of Columbia Fire Department, in the Metropolitan Police Department band, and for other purposes (with an accompanying paper); to the Committee on the District of Columbia.

ACCEPTANCE OF SETTLEMENT OF CERTAIN INDEBTEDNESS OF GREECE TO THE UNITED STATES

A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to authorize the acceptance of a settlement of certain indebtedness of Greece to the United States and to authorize the use of the payments resulting from the settlement for a cultural and educational exchange program (with accompanying papers); to the Committee on Foreign Relations.

PENALTIES FOR CERTAIN OFFENSES COMMITTED IN CONNECTION WITH HIGHWAY CONSTRUCTION

A letter from the Attorney General, transmitting a draft of proposed legislation to provide penalties for certain offenses committed in connection with highway construction (with an accompanying paper); to the Committee on the Judiciary.

AUDIT REPORT OF NATIONAL SAFETY COUNCIL

A letter from the president, National Safety Council, Chicago, Ill., transmitting, pursuant to law, an audit report of the financial transactions of that council, for the year 1964 (with an accompanying report); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution of the House of Representatives of the State of New Mexico; to the Committee on Interior and Insular Affairs:

"HOUSE MEMORIAL 6 OF THE STATE OF NEW MEXICO

"Memorial requesting the Congress of the United States to enable a Federal survey of land grant areas in New Mexico

"Whereas land grant rights were recognized and given status, by the treaty entered at Ciudad Guadalupe Hidalgo on February 2, 1848, between the United States and the United Mexican States, which was ratified at Queretaro on May 30, 1848; and

"Whereas land grant rights were recognized and protected by the Organic Act establishing the Territory of New Mexico and later by U.S. Courts of Land Claims; and

"Whereas land grants were purportedly the subject of a U.S. engineering-geographical survey, while actually land grants, particularly in Mora County, N. Mex., have never been surveyed; and

"Whereas grant lands, particularly in Mora County, without the benefit of a certain and accurate method of property description cannot be conveyed from primary holdings to smaller parcels or otherwise subdivided; and

"Whereas because of foreign and vague land descriptions, grant lands do not enjoy accurate and uniform property description based on Federal survey as do the lands of other former territories, and which is needed to confirm and protect real property titles and to facilitate economic development; and

"Whereas economic considerations preclude the possibility of grant land owners undertaking to conform grant land survey in New Mexico into the uniform Federal survey now extant: Now, therefore, be it

"Resolved by the House of Representatives of the State of New Mexico, That the Congress of the United States is asked to enable a Federal engineering-geographic survey of the grant lands in New Mexico, particularly those grant lands of Mora County; and be it further

"Resolved, That copies of this memorial be transmitted to the Congress, to the leadership in the Congress and to the New Mexico delegation to the Congress.

"BRUCE KING,
"Speaker, House of Representatives.
"ALBERT ROMERO,
"Chief Clerk, House of Representatives."

A joint resolution of the Legislature of the State of Arkansas; to the Committee on the Judiciary:

"SENATE JOINT RESOLUTION 1

"Joint resolution applying to Congress to call a convention for the purpose of proposing an amendment to the Constitution of the United States

"Be it resolved by the Senate of the General Assembly of the State of Arkansas (the House of Representatives concurring therein), That this legislature respectfully applies to the Congress of the United States to call a convention for the purpose of proposing the following article as an amendment to the Constitution of the United States:

"ARTICLE —

" 'SECTION 1. Nothing in this Constitution shall prohibit any State which shall have a bicameral legislature from apportioning the membership of one house of such legislature on factors other than population, provided that the plan of such apportionment

shall have been submitted to and approved by a vote of the electorate of that State.

" 'SEC. 2. Nothing in this Constitution shall restrict or limit a State in its determination of how membership of governing bodies of its subordinate units shall be apportioned.

" 'SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within 7 years from the date of its submission to the States by the Congress.'

"Be it further resolved, That if Congress shall have proposed an amendment to the Constitution identical with that contained in this resolution prior to June 1, 1965, this application for a convention shall no longer be of any force or effect; be it further

"Resolved, That a duly attested copy of this resolution be immediately transmitted to the Secretary of the Senate of the United States, the Clerk of the House of Representatives of the United States and to each Member of the Congress from this State.

"ROBERT HARVEY."

A joint resolution of the Legislature of the State of Nevada; to the Committee on the Judiciary:

"JOINT RESOLUTION OF THE STATE OF NEVADA

"Resolution requesting the Congress of the United States to propose an amendment to the Constitution of the United States permitting one house of a bicameral legislature to be apportioned other than according to population

"Whereas the Supreme Court of the United States has ruled that membership in both houses of a bicameral State legislature must be apportioned according to population and has thus asserted Federal judicial authority over the basic structure of government in the various States; and

"Whereas this rule denies to the people of the respective States the right to establish their legislatures upon the same pattern of representation deemed advantageous for the Congress of the United States and provided by the Federal Constitution; and

"Whereas this action of the Supreme Court goes so far as to restrict the ability of the citizens of the respective States to designate the manner in which they shall be represented in their respective legislatures thereby depriving the people of their right to determine how they shall be governed; and

"Whereas the implications of this action by the Supreme Court has raised serious doubts as to the legality of the present form of the governing bodies of many subordinate units of government within the States: Now, therefore, be it

"Resolved by the assembly and senate of the State of Nevada (jointly), That this legislature respectfully requests the Congress of the United States to propose an amendment to the U.S. Constitution which would provide:

" 'ARTICLE —

" 'SECTION 1. Nothing in this Constitution shall prohibit any State which shall have a bicameral legislature from apportioning the membership of one house of such legislature on factors other than population, provided that the plan of such apportionment shall have been submitted to and approved by a vote of the electorate of that State.

" 'SEC. 2. Nothing in this Constitution shall restrict or limit a State in its determination of how membership of governing bodies of its subordinate units shall be apportioned.

" 'SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission to the States by the Congress.'

"And be it further resolved, That certified copies of this resolution be immediately transmitted by the Secretary of State to the Secretary of the Senate of the United States, the Clerk of the House of Representatives of the United States and to each Member of the Congress from this State.

"PAUL LAXALT,
"President of the Senate.
"LEOLA H. ARMSTRONG,
"Secretary of the Senate.
"WM D. SWACKHAMER,
"Speaker of the Assembly.
"NATHAN T. HURST,
"Chief Clerk of the Assembly.
"GRANT SAWYER,
"Governor of the State of Nevada."

A resolution adopted by the Tidewater Crime Clinic, of the State of Virginia, Norfolk, Va., expressing opposition to the proposal to transfer any of the functions of the Narcotics Bureau to other branches of the Federal Government; to the Committee on Finance.

RESOLUTIONS OF MASSACHUSETTS GENERAL COURT

Mr. KENNEDY of Massachusetts. Mr. President, on behalf of the senior Senator from Massachusetts [Mr. SALTONSTALL] and myself, I present a certified copy of a resolution entitled "Resolutions Memorializing the Congress of the United States To Enact the Civil Rights Legislation of President Johnson," adopted by the house of representatives of the general court of the Commonwealth of Massachusetts on March 19, 1965.

I ask that this resolution be appropriately referred.

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

RESOLUTION MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO ENACT THE CIVIL RIGHTS LEGISLATION OF PRESIDENT JOHNSON

Whereas today, in many States of our Union there exists a denial to many of our citizens the right to vote; and

Whereas President Johnson in an attempt to right this injustice and insure equal rights to all citizens, has submitted civil rights legislation to Congress; and

Whereas because of tense feeling presently existing in our country because of this denial of equal rights, dividing neighbor against neighbor and State against State, it is expedient that this civil rights legislation be given top priority and support: Therefore be it

Resolved, That the Massachusetts House of Representatives respectfully urges the Congress of the United States to take immediate action and support President Johnson's civil rights legislation; and be it further

Resolved, That a copy of these resolutions be transmitted by the Secretary of the Commonwealth to the presiding officers of each branch of Congress, and to each Senator and Representative from Massachusetts in the Congress of the United States.

House of Representatives, adopted, March 19, 1965.

WILLIAM C. MAIERS,
Clerk.

Attest:

KEVIN H. WHITE,
Secretary of the Commonwealth.

SILVER—JOINT RESOLUTION OF IDAHO LEGISLATURE

Mr. JORDAN of Idaho. Mr. President, the increasing imbalance between the consumption and the production of silver is of particular interest and importance to the people of Idaho. As the No. 1 State in silver production we believe we should encourage the maximum production of this metal which has played such a significant part in the development of our civilization.

Since earliest recorded history silver and gold have been the measure of a nation's wealth and prestige. Silver has been an integral part in the coinage system of the United States since 1837. Now that our silver bullion reserve is being reduced at a rapid rate there is good reason to reduce but not eliminate entirely, the content of silver in our auxiliary coins. I am a cosponser of S. 1297 to accomplish this objective.

Mr. President, the Idaho Legislature memorialized Congress by House Joint Memorial 9 urging that the Federal Government retain silver coinage of reduced silver content in order to preserve the international prestige of our money and public confidence therein.

I ask unanimous consent that this memorial be placed in the RECORD at this point, and appropriately referred.

There being no objection, the joint resolution was referred to the Committee on Banking and Currency, as follows:

HOUSE JOINT MEMORIAL 9 OF THE LEGISLATURE OF THE STATE OF IDAHO

To the Honorable Senate and House of Representatives of the United States in Congress Assembled and to the Honorable Secretary of the Treasury of the United States:

We, your memorialists, the Legislature of the State of Idaho, respectfully represent that:

Whereas free world consumption of silver is continuing to exceed free world production by a steadily widening margin; and

Whereas U.S. Treasury stocks of silver are being depleted at an accelerated rate to make up a major portion of the deficit; and

Whereas these stocks may be completely dissipated in less than 3 years if the current rate of depletion continues; and

Whereas this situation poses a serious threat to the Nation's silver coinage system which is now under critical review by the U.S. Treasury Department; and

Whereas some segments of our national economy, in particular the silver-consuming industry, are exerting heavy pressure for the complete elimination of silver from our subsidiary coinage; and

Whereas this proposed adoption of a completely base-metal coinage would not only damage the international prestige and dignity of our money, but would also involve a high risk of psychological rejection of such coins in the domestic economy; and

Whereas a completely base-metal coinage system would also involve:

1. A grave danger that existing silver coinage with intrinsic value would be driven into hoards, thus aggravating the current coin shortage problem.

2. A serious disruption to the multi-billion-dollar vending machine industry and other industries utilizing coin machines which rely upon the peculiar characteristics of silver for operation of their rejection devices.

3. Greatly increased prospects for counterfeiting; and

Whereas the current balance of U.S. Treasury stocks, together with the extensive silver supply now circulating as silver coins and the excellent prospects for increased silver production in the immediate years ahead, provides persuasive assurance that this criti-

cal problem could readily be resolved through the less drastic alternative of retaining a silver coinage with reduced silver content, and

Whereas such a solution would not only preserve our Nation's long tradition of a coinage with intrinsic value, but would also sustain a more favorable economic climate for one of the major segments of Idaho's economy—the mining industry: Now, therefore, be it

Resolved by the 38th session of the Legislature of the State of Idaho, now in session, (the Senate and the House of Representatives concurring), That we respectfully urge the Congress of the United States and the executive department of the Federal Government to retain a silver coinage of reduced silver content in order to preserve the international prestige of our money, and public confidence therein.

We further respectfully urge the Congress of the United States and the executive department of the Federal Government to undertake a comprehensive study of the growing strategic importance of silver in defense and aerospace applications and determine an adequate strategic stockpile objective which can be set aside from existing Treasury stocks before they are completely dissipated; be it further

Resolved, That the secretary of state of the State of Idaho be, and he hereby is, authorized and directed to forward certified copies of this memorial to the President and Vice President of the United States, the Speaker of the House of Representatives of the Congress, the Secretary of the Treasury of the United States, and to the Senators and Representatives representing this State in the Congress of the United States.

PETE T. CENARRUSA,
Speaker of the House of Representatives.
W. E. DREVLOW,
President of the Senate.

BILLS INTRODUCED

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

By Mr. ELLENDER (by request):

S. 1695. A bill to repeal certain acts relating to exportation of tobacco plants and seed, naval stores, and wool, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. BAYH:

S. 1696. A bill conferring jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Philip J. Fichman; to the Committee on the Judiciary.

S. 1697. A bill to amend chapter 37 of title 38, United States Code, in order to make the widows of certain peacetime veterans eligible for loans under such chapter; to the Committee on Labor and Public Welfare.

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

By Mr. ROBERTSON:

S. 1698. A bill to amend the Bank Merger Act so as to provide that bank mergers, whether accomplished by the acquisition of stock or assets or in any other way, are subject exclusively to the provisions of the Bank Merger Act, and for other purposes; to the Committee on Banking and Currency.

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

By Mr. CLARK:

S. 1699. A bill for the relief of Esen Ortac Traub; to the Committee on the Judiciary.

By Mr. LONG of Missouri:

S. 1700. A bill for the relief of Mrs. Usha Hasmukh Mehta; to the Committee on the Judiciary.

By Mr. SYMINGTON:

S. 1701. A bill to provide relief for Dr. Jose M. Quintero; to the Committee on the Judiciary.

By Mr. ELLENDER (by request):

S. 1702. A bill to maintain farm income, to stabilize prices and assure adequate supplies of agricultural commodities, to reduce surpluses, lower Government costs and promote foreign trade, to afford greater economic opportunity in rural areas, and for other purposes; to the Committee on Agriculture and Forestry.

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

By Mr. SCOTT:

S. 1703. A bill for the relief of Hyder M. Carim, Mahera Carim, and Altaf Carim; to the Committee on the Judiciary.

By Mr. DIRKSEN:

S. 1704. A bill for the relief of certain members of the American Hull Insurance Syndicate; to the Committee on the Judiciary.

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

CERTAIN LOANS TO WIDOWS OF MILITARY PERSONNEL KILLED IN LINE OF DUTY

Mr. BAYH. Mr. President, I introduce, for appropriate reference, a bill to make the widows of military personnel killed in the line of duty eligible for certain loans which are now available to the widows of World War II and Korean conflict veterans. This bill, which is similar to S. 3092 which I introduced late in the 88th Congress, would rectify what appears to me to be an injustice in the operation of our present laws.

The need for this legislation was dramatically called to my attention by the death of Donald McCord, from Crawfordsville, Ind., who lost his life while serving on the ill-fated nuclear submarine *Thresher*.

Because Donald McCord was a post-Korean member of the Armed Forces, his widow—and three children—were unable to obtain a VA home loan. Widows of veterans who served in World War II and in the Korean conflict have benefited greatly from the direct, guaranteed, or insured loan provisions which Congress authorized by prior enactment.

Mr. President, it seems to me that the widows of all military men whose death resulted from a service-connected disability arising out of active military, naval, or air service should be entitled to these loan benefits. Those brave men who today are making the supreme sacrifice in the service of their country, whether it be as the result of a downed helicopter, a sniper's bullet, a sneak bombing, a damaged or faulty airplane, or a naval accident, should be entitled to benefits for their loved ones equivalent to those who lost their lives in earlier military activities.

My bill would not require additional appropriations nor increase the budget. The net effect would be simply to entitle widows of post-Korean military veterans, whose death can be attributed to active service factors, to the small downpayment and low interest features for home and business loans insured by the Veterans' Administration. The bill would limit benefits to a period of 10 years after the date of the veteran's death, except that no entitlement would expire prior to 10 years after the bill were enacted.

Mr. President, the financial and human success of the VA loan program is well known. At very little cost it has enabled the widows of thousands of veterans to obtain needed housing or to establish small businesses. With the risk of loss almost negligible, I urge the adoption of this bill in order to treat equitably and justly the dependents of those who suffer service-connected deaths from causes incurred on active duty.

The PRESIDING OFFICER (Mr. MCGOVERN in the chair). The bill will be received and appropriately referred.

The bill (S. 1697) to amend chapter 37 of title 38, United States Code, in order to make the widows of certain peacetime veterans eligible for loans under such chapter, introduced by Mr. BAYH, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

BANK MERGERS

Mr. ROBERTSON. Mr. President, I introduce, for appropriate reference, a bill to eliminate the misunderstanding, confusion, and controversy which we now find in the bank merger field. My bill would exempt bank mergers approved under the Bank Merger Act from the restrictions of the Sherman Antitrust Act and section 7 of the Clayton Act. This would place bank mergers in the same category as mergers in other regulated industries approved under other statutes which delegate to specialized agencies the responsibility for carrying out our antitrust policies. This is the case with railroad mergers. I am sure no one here would want to turn over the problems involved in the New York Central-Pennsylvania Railroad merger to the Antitrust Division and the district court under the antitrust laws.

At the time the Bank Merger Act of 1960 was adopted it was generally agreed—in fact I think it was fair to say that it was universally agreed—that the restrictions of section 7 of the Clayton Act did not apply to bank mergers, and I think it was universally recognized that the decision of the Congress was against making section 7 of the Clayton Act applicable to bank mergers. The long background of the Bank Merger Act including specifically the overwhelming vote by which the O'Mahoney amendment was rejected—55 nays to 25 yeas—make this clear. In 1960 it was also generally recognized that the Sherman Act—if it applied to banking and bank mergers at all—had not proved effective to prevent bank mergers and was no protection to the current wave of bank mergers.

I think all will agree that the Bank Merger Act was intended to be the antitrust law applicable to the field of bank mergers, providing for a balanced judgment including due consideration of banking factors, public convenience and necessity, and competitive factors including tendencies toward monopoly.

The Supreme Court in the Philadelphia and Lexington cases has rewritten the antitrust laws and has nullified the intention of the Congress in passing the Bank Merger Act.

My bill will reinstate the original purpose and intent of Congress when it passed the Bank Merger Act. Since, in my judgment, the Supreme Court has erroneously interpreted antitrust laws and the Bank Merger Act, my bill is drafted so as to be applicable not only to future mergers but to all mergers heretofore consummated pursuant to appropriate regulatory approval including mergers now under attack by the Department of Justice under the antitrust laws.

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

The bill (S. 1698) to amend the Bank Merger Act so as to provide that bank mergers, whether accomplished by the acquisition of stock or assets or in any other way, are subject exclusively to the provisions of the Bank Merger Act, and for other purposes, introduced by Mr. ROBERTSON, was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

S. 1698

A bill to amend the Bank Merger Act so as to provide that bank mergers, whether accomplished by the acquisition of stock or assets or in any other way, are subject exclusively to the provisions of the Bank Merger Act, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (c) of section 18 of the Federal Deposit Insurance Act is amended by adding immediately before the last sentence of that subsection the following sentence:

"The authority to approve mergers, consolidations, and acquisitions of stock or assets and assumptions of liabilities, herein conferred on the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Corporation shall be exclusive and plenary, and any banks participating in a transaction approved or authorized under the provisions of this section shall be and they are relieved from the operation of the antitrust laws, including the Sherman Antitrust Act and the Clayton Act, with respect to such transaction, whether accomplished by the acquisition of stock or the acquisition of assets, or in any other way, and whether such transaction has been or is hereafter consummated."

SEC. 2. No proceedings shall hereafter be instituted or prosecuted under the antitrust laws, including the Sherman Antitrust Act and the Clayton Act, against any bank insured under the Federal Deposit Insurance Act by reason of or with respect to any merger, consolidation, or acquisition of stock or assets and assumption of liabilities consummated before May 13, 1960, pursuant to approval of the appropriate State or Federal bank supervisory authority.

RELIEF OF CERTAIN MEMBERS OF THE AMERICAN HULL INSURANCE SYNDICATE

Mr. DIRKSEN. Mr. President, I introduce, for appropriate reference, a bill for the relief of certain members of the American Hull Insurance Syndicate.

This bill was introduced by me on March 29, 1965. I presume, through my own inadvertence, a sentence was deleted or omitted from the bill. This is a replacement of the bill, S. 1600, that was introduced at that time.

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

The bill (S. 1704) for the relief of certain members of the American Hull Insurance Syndicate, introduced by Mr. DIRKSEN, was received, read twice by its title, and referred to the Committee on the Judiciary.

VOTING RIGHTS BILL—AMENDMENT (AMENDMENT NO. 64)

Mr. KENNEDY of New York. I submit, for appropriate reference, an amendment to S. 1564, the administration's bill to end voter discrimination. My amendment would extend that bill to make sure that no citizen who was educated in an American-flag school in which the classroom language was other than English is denied the right to vote for failure to pass an English-language literacy test. I ask unanimous consent that the amendment be printed in the RECORD at the close of my remarks.

I think everyone associated with S. 1564 hopes that it will be passed in the strongest possible form, the form which goes as far as law can go in stopping discrimination in the registration and voting processes. It would be a great shame if next year we found that we had not gone far enough with this year's effort and that we had to act again. That being so, I rise today to ask that S. 1564 be amended so as to reach a form of discrimination which persists under the law of New York State.

There are between 450,000 and 480,000 Puerto Rican citizens of voting age in New York City. Depending on which estimate is correct, the number of these citizens who are not registered to vote is anywhere from 225,000 to 330,000. Many of those who are not registered have been refused because they cannot pass New York State's English language literacy test, even though they are literate in Spanish, having been educated in that language in schools under the American flag in Puerto Rico.

In my judgment Congress can and should find that the operation of New York's literacy test to deprive literate Puerto Ricans of the right to vote is State action arbitrarily denying the franchise to a class of citizens. These Puerto Ricans have not only been educated under the American flag in Puerto Rico, but are well informed about public issues through a great variety of Spanish-language newspapers and periodicals, and radio and television programs. They should no longer be deprived of their right to vote because they cannot pass an English language literacy test. Their educational achievement in their native Puerto Rico should no longer go unrecognized.

This amendment is constitutional. It is firmly grounded in the language of the 14th amendment, since it seeks to repair a discrimination against the educational achievement of a class of people. To any who argue that it should not be added to S. 1564 because that is captioned as a 15th amendment piece of legislation, I think it suffices to say that we must be prepared to legislate against discrimination in the registration and voting processes wherever it appears, and that there is no constitutional barrier to adding an amendment premised upon a different constitutional dictate. There is no reason of ritual or rote which requires a separate bill merely because the form of the discrimination is different from that reached by the rest of the bill.

The amendment is neutrally worded. It does not single out New York in so many words. It applies to any State in which an English language literacy test discriminates against persons educated in American-flag schools in which the main classroom language was other than English. If, for instance, Hawaii's literacy test were not available in both English and Hawaiian, as it so wisely is, the amendment might well have had some application in that State. Because the amendment is neutral in its wording, it was necessary to find a level of educational achievement which correlates generally with the existence of literacy. Administration bills in recent years relating to proof of literacy have, supported by various studies, used the 6th grade as the benchmark, and I have therefore used that standard in my amendment.

I am convinced that Congress should act to right the discrimination created by the law of New York State. I do, of course, hope that the State will end the discrimination of its own accord in the present legislative session by making its literacy test available on a bilingual basis as Hawaii does, or by some other approach, but even if it does act, it will take some time before the action can be effective. The literacy test provision is in the State constitution, and changes in that document must pass two successive sessions of the State legislatures and then be submitted to the people as well. Therefore, even if it were certain that New York State will change its literacy test this year, there would still be ample reason for the Congress to act now to get immediate relief for the thousands of disenfranchised Puerto Ricans in New York. I hope the Judiciary Committee will adopt my amendment and incorporate it in S. 1564.

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

The amendment (No. 64) was referred to the Committee on the Judiciary, as follows:

On page 3, between lines 23 and 24, insert the following new subsection:

"(d) No person shall be denied the right to vote in any Federal, State, or local elec-

tion because of his inability to speak or understand the English language, or to read or write matter in the English language, if he demonstrates that he has successfully completed the sixth primary grade in a public school in, or a private school accredited by, any State or territory, the District of Columbia, or the Commonwealth of Puerto Rico in which the predominant classroom language was other than English."

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

Mr. CHURCH. Mr. President, I ask unanimous consent to add the name of Senator BIBLE to the cosponsors of S. 1297, my bill to lower the percentage of silver in our coins.

I also ask unanimous consent to add the names of Senators TYDINGS, BYRD of West Virginia, and WILLIAMS of New Jersey to S. 1446, the bill creating a National Wild Rivers System.

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

Mr. CANNON. Mr. President, I ask unanimous consent that at the next printing of Senate Joint Resolution 35, permitting citizens of the United States who have reached the age of 18 to vote in Federal elections, the name of the junior Senator from Michigan [Mr. HART] be added as a cosponsor.

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

Mr. MANSFIELD. Mr. President, on behalf of the junior Senator from Massachusetts [Mr. KENNEDY] I ask unanimous consent that his name be added as a cosponsor of Senate Joint Resolution 65.

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

ADDITIONAL COSPONSORS OF BILLS

Under authority of the orders of the Senate, as indicated below, the following names have been added as additional cosponsors for the following bills:

Authority of March 22, 1965:

S. 1584. A bill to authorize the Administrator of the General Services to coordinate and otherwise provide for the economic and efficient purchase, lease, maintenance, operation, and utilization of automatic data processing equipment by Federal departments and agencies: Mr. PROXMIRE.

By authority of March 25, 1965:

S. 1605. A bill authorizing additional appropriations for prosecution of projects in certain comprehensive river basin plans for flood control, navigation, and other purposes: Mr. DIRKSEN, Mr. FULBRIGHT, Mr. HOLLAND, Mr. JACKSON, Mr. LONG of Missouri, Mr. MAGNUSON, Mr. MCCLELLAN, Mr. MCGOVERN, Mr. METCALF, Mr. MURPHY, Mrs. NEUBERGER, and Mr. YOUNG of North Dakota.

S. 1633. A bill to amend title 23 of the United States Code, relating to highways, in order to authorize a program to improve safety on the Federal aid primary, secondary, and urban systems of highways: Mr. LONG of Missouri.

S. 1634. A bill to prohibit the introduction into interstate commerce of any shipping container manufactured in the United States from imported steel unless the container is marked so as to indicate the country of origin of the steel: Mr. BENNETT.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 307) granting the consent of Congress to a compact relating to taxation of motor fuels consumed by interstate buses and to an agreement relating to bus taxation proration and reciprocity, and it was signed by the Vice President.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, April 5, 1965, he presented to the President of the United States the enrolled bill (S. 307) granting the consent of Congress to a compact relating to taxation of motor fuels consumed by interstate buses and to an agreement relating to bus taxation proration and reciprocity.

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

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

By Mr. COOPER:

An address by Senator JOHN SHERMAN COOPER on August 30, 1957, entitled "The Tobacco Program: Why It is Needed; How It Is Working."

FOREIGN CREDITORS SHOULD REPAY THEIR NATIONAL DEBT TO THE UNITED STATES BEFORE DEMANDING OUR PAYMENT IN GOLD

Mr. LAUSCHE. Mr. President, in the face of our rapidly vanishing gold reserves, I have received a number of letters suggesting that we call upon our debtors of World War I to honor their debt obligations to the United States and to desist from asking the United States to pay its current short-term obligations in gold instead of our paper dollars. I agree with the arguments made by these Ohio citizens that our short-term foreign creditors first pay up their national debt to the United States incurred in World War I before demanding that we pay their present short-term credits in gold.

On March 9, when Secretary of State Dean Rusk appeared before the Foreign Relations Committee, he answered certain questions which I put to him pertaining to this problem. Since that time, the Secretary has submitted to the committee a tabulation of the debtor nations and the amounts which they owe us.

President de Gaulle has been unjustifiably drawing on our gold, creating great difficulty for us in our balance-of-payments problems.

He obviously forgets or is unwilling to consider that the United States has been fair and mindful of the past interdependency of the United States and France. France owes the United States $6,600,759,301 due from World War I. The people of the United States know that this debt arose out of the war in which we fought a common foe.

We have not demanded the payment of this French indebtedness. The United States is prepared to pay in dollars the short-term obligations we owe to France but President de Gaulle insists that the payments be made in gold.

We were considerate of the problem of the French people, but President de Gaulle is not equally considerate of our present problem. Our country on the basis of reciprocity and justice is entitled to better treatment than that which it has been accorded by President De Gaulle.

Mr. President, I ask unanimous consent that the dialog which I had with Secretary Rusk be printed in the RECORD:

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

Senator LONG. No thank you, Mr. Chairman.

The CHAIRMAN. The Senator from Ohio.

TOTAL FOREIGN INDEBTEDNESS TO THE UNITED STATES

Senator LAUSCHE. I would like to ask a few questions. Mr. Rusk, some mention has been made of the debts owing to us by different nations, as a consequence, one, of World War I, and then, of World War II. Do you have available in round numbers the aggregate indebtedness that exists now, including the interest accumulation on the still existent debts of World War I?

Secretary RUSK. I don't have that with me this morning, Senator. I did mention the figure of just over $6 billion as it relates to France, but I don't have the others. I will be very glad to furnish those for the record.

Senator LAUSCHE. Do I understand you to say that the debt of France alone is $6 billion, or is that the aggregate of all the nations?

Secretary RUSK. No, that is the World War I debt, accumulated principal and interest over time, in the absence of a final settlement or elimination of the problem.

Senator LAUSCHE. Relating to France alone?

Secretary RUSK. Yes, sir, according to the information——

The CHAIRMAN. If the Senator will yield, I put that in the record last year in a speech. I got the figure from the Treasury, and it is over $6 billion. Part of that is not yet due under the arrangements made after the war. The due date hasn't arrived, but that is the total up to now including what——

Secretary RUSK. As far as the debts that arose out of World War II are concerned, France is current in its payments of those debts.

Senator LAUSCHE. May I ask the chairman did his tabulation also cover the aggregate debts that are owing to us out of World War II?

The CHAIRMAN. No, it did not, because they were current with those debts. There were the ones growing up subsequent to World War I. Most of them were set forth in settlements made about the time of the Young agreement made in the twenties.

Secretary RUSK. That is correct, sir.

Senator LAUSCHE. I would like to have supplied for the record a tabulation of the identity of the debtors, the principal amounts still due, and the accumulated interest on World War I debts and a similar tabulation relating to World War II.

(The information referred to follows:)

Indebtedness of foreign governments to the United States arising from World War I, as of June 30, 1964

	Original Indebtedness	Interest through June 30, 1964	Total	Cumulative payments		Amount due June 30, 1964		
				Principal	Interest	Total	Unreturned principal	Principal and interest due and unpaid
Armenia	$11,959,917.49	$26,793,083.37	$38,753,000.86			$38,753,000.86		$38,753,000.86
Austria [1]	26,843,148.66	44,058.93	26,887,207.59	$682,688.00		26,025,539.59	$3,530,505.24	22,494,034.35
Belgium	419,837,630.37	293,936,720.47	713,774,350.84	19,157,630.37	$33,033,642.87	661,583,077.60	219,980,000.00	441,603,077.60
Cuba	10,000,000.00	2,286,751.58	12,286,751.68	10,000,000.00	2,286,751.58			
Czechoslovakia	185,071,023.07	97,297,635.61	282,368,658.78	19,829,914.17	304,178.09	262,234,566.52	91,875,000.00	170,359,566.52
Estonia	16,466,012.87	20,152,190.71	16,618,202.88		1,248,432.07	35,369,720.81	10,036,000.00	25,333,770.81
Finland	8,999,999.97	10,953,718.46	19,953,718.43	[2] 3,751,300.98	[2] 10,937,285.27	5,285,132.18	5,243,698.99	[2] 16,433.19
France	4,089,689,523.18	2,552,119,487.14	6,944,809,075.32	226,639,588.18	70,036,302.82	6,455,733,184.32	1,958,692,869.71	4,497,000,314.61
Great Britain	4,802,181,641.56	6,524,431,953.11	11,326,613,599.67	134,481,641.56	1,590,672,656.18	9,301,759,391.93	2,701,000,000.00	6,600,759,301.93
Greece [4]	32,499,922.67	16,781,628.44	49,281,531.11	983,922.67	3,143,133.34	45,154,495.10	9,100,000.00	36,054,495.10
Hungary [5]	1,982,555.50	2,576,335.31	4,553,890.61	73,995.50	182,924.26	4,001,971.05	1,212,085.00	2,789,886.05
Italy	2,042,364,319.28	295,203,720.22	2,337,368,039.50	37,464,319.28	63,365,560.88	2,236,538,199.34	1,262,900,000.00	953,638,159.34
Latvia	6,888,634.20	8,533,006.20	15,421,671.11	9,200.00	752,349.07	14,660,122.04	4,230,300.00	10,129,822.04
Liberia	26,000.00	10,471.52	36,471.55	26,000.00	10,471.56			
Lithuania	6,432,465.00	7,965,412.34	14,397,877.14	234,783.00	1,003,173.58	13,159,920.56	3,859,007.00	9,300,913.56
Nicaragua [6]	141,950.36	26,625.48	168,575.84	112,950.36	26,625.48			
Poland	207,344,297.37	257,946,604.38	465,290,901.75	[7] 1,287,299.37	21,359,000.18	442,644,684.20	128,375,000.00	314,269,604.20
Rumania	68,359,192.45	45,816,305.84	114,175,498.89	[8] 4,498,632.02	[8] 292,375.20	109,384,491.07	35,084,000.00	74,300,491.07
Russia	192,601,297.57	447,199,484.93	639,800,782.30		[9] 8,750,311.88	631,050,470.42		631,050,470.42
Yugoslavia	63,577,712.55	19,354,652.92	82,932,365.47	1,952,712.55	636,059.14	80,343,591.73	38,895,000.00	41,448,593.78
Total	12,193,267,338.92	10,929,229,851.91	23,122,497,190.83	766,495,556.01	1,998,341,233.45	20,363,660,401.37	6,494,018,465.94	13,869,641,935.43

[1] The Federal Republic of Germany has recognized liability for securites falling due between Mar. 12, 1938 and May 8, 1945.
[2] $5,905,605.58 has been made available for educational exchange programs with Finland pursuant to 20 U.S.C. 282-224.
[3] Represents deferred interest due Dec. 15, 1964.
[4] Includes $11,336,000 of this debt which has been refunded by the agreement of May 28, 1964. The agreement has not been ratified by Congress.
[5] Interest payments from Dec. 15, 1932, to June 15, 1937, were paid in pengo equivalent.
[6] The indebtedness of Nicaragua was canceled pursuant to the agreement of Apr. 14, 1938.
[7] Excludes claim allowance of $1,813,428.69 dated Dec. 15, 1929.
[8] Excludes payment of $100,000 on June 14, 1940, as a token of good faith.
[9] Principally proceeds from liquidation of Russian assets in the United States.

INDEBTEDNESS OF FOREIGN GOVERNMENTS TO THE UNITED STATES ARISING FROM WORLD WAR II

The executive branch is currently preparing definitive data on the status of World War II debts owed to the United States, but this information is not presently available.

Secretary RUSK. Very well, sir.

Senator LAUSCHE. With regard to the outstanding debts as a consequence of World War I, has there in every instance been an agreement made where the disputes about the amount of the debt have been settled?

Secretary RUSK. I don't think this matter has been completely closed off by agreement. I would have to review the history on that. I have asked my colleagues in the last few days to prepare that for me. I just don't have it at my fingertips this morning, sir.

Senator LAUSCHE. My recollection is that at least with regard to Russia there has not been any agreement.

Secretary RUSK. Oh, that is quite true as far as the Soviet Union is concerned.

DISCUSSIONS ON AMERICAN TOURISM

Senator LAUSCHE. Is the Department at all discussing with foreign nations their concern about our Government advocating a policy of inducing American tourists to visit the United States, and thus help our balance-of-payments problem?

Secretary RUSK. We have had some exchanges on that, but our principal effort thus far has been to indicate to our Americans that if they are making on-balance judgments about what their own tourist plans are, that they might want to consider visiting parts of the country that they have not seen.

The net deficit in our tourist account is about $1.7 billion as I understand it. There has been an increase of about $400 million in the past 4 years. We don't want to discourage tourism as such.

We would like, however, during this period, when we are working on the gold balance, to encourage Americans to have a good look at their own country, and if they are making on-balance judgments, to perhaps do some traveling here first. You see, the number of passports, for example——

Senator LAUSCHE. The amount has increased in the last 4 years. It is now up to $1.7 billion, did you say?

Secretary RUSK. I believe the net has gone up about $400 million a year compared to say 4 or 5 years ago, and similarly with passports. We are issuing now about 75 percent more passports than we did in 1961.

In other words, there has been a very substantial increase. Now fortunately there has also been a very substantial increase in tourism coming the other way, but not quite enough to take up the energetic desire of the American people to travel abroad.

Senator LAUSCHE. If the imbalance resulting solely from tourism is growing worse, why are you hesitant about exercising greater efforts to discourage tourism abroad?

Secretary RUSK. Well, we hope that we can use it just as in the case of capital investment, we can try the process of persuasion, rather than going to compulsory measures that interfere very greatly with private decisions and judgments on the matter.

Tourism itself is a very important element of our relations with other countries in both directions. We would not wish to move drastically on it if it were possible to have it make some contribution.

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

Mr. LAUSCHE. Mr. President, I ask unanimous consent that I may be permitted to speak for another 2 minutes.

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

Mr. LAUSCHE. The total indebtedness due us from our foreign creditors growing out of World War I, which includes interest and principal payment, is in excess of $23 billion. It is interesting to note that Russia is indebted to us on the amount of $639 million. However, I believe that amount is the consequence of some adjustments that were made and which brought the larger figure down to this sum of $639 million.

To summarize, it would seem to me that the closeness of ties which in the past has existed between the French Government and the French people and the U.S. Government and the U.S. people ought to be remembered by De Gaulle. We have fought common foes. We have acted as interdependents, believing that the life of France was vital to the security of the life of the United States. I supposed the French people believed that the continued life of the United States was related to the continued life of France. But for unknown reasons, in these years of 1964 and 1965, De Gaulle has forgotten all of that sympathetic relationship. I wish to say to him that when he is injuring us, he is injuring France also.

I yield the floor.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

LEGISLATIVE ACCOMPLISHMENTS

Mr. MANSFIELD. Mr. President, this past week the Senate passed numerous bills including the following: authorized the Secretary of Interior to transfer title to movable property to municipalities which assume operation and maintenance responsibilities for project works (S. 1000); added volunteer fire companies to the group of qualified nonprofit organizations entitled to use preferential second- and third-class postage rates for bulk mailings (S. 390); extended to 1975 the authority of the Secretary of Interior to enter into contracts with the Middle Rio Grande Conservancy District, New Mexico, for payment of operation and maintenance charges involved in the irrigation of Pueblo Indian lands (S. 1462); and authorized up to $23 million for Federal construction

of the multipurpose Tualatin reclamation project in Washington County, Oreg. (S. 254).

The week of April 5–10, the Senate will act on the military procurement bill (S. 800); the tobacco acreage bill (H.R. 5721); amendments to the Foreign Agents Registration Act (S. 693); and the elementary and secondary education bill (H.R. 2362); to be followed by the voting rights bill (S. 1564) which is to be reported to the Senate April 9.

In addition to the above, the Senate may act on the following measures to be reported by the Senate Commerce Committee on April 6: To exempt oceanographic research vessels from the application of certain vessel inspection laws (S. 627); the Coast Guard authorization (H.R. 4527); a 1-year extension of the National Commisson on Food Marketing (S. 1555); an amendment to the Wool Products Labeling Act (S. 836); authorizing the Secretary of Commerce to employ aliens in a scientific or technical capacity (S. 905); authorizing the Secretary of Commerce to adopt improved accounting procedures (S. 908); a bill authorizing vessel documentation (S. 1275); an amendment to the Textile Fiber Products Identification Act (S. 1129); and a pesticides measure affecting fish and wildlife (S. 1623).

COMMITTEE ACTIVITY DURING THE WEEK OF APRIL 5–10

Appropriations: Hearings will continue on Agriculture, Defense, Labor-HEW, Public Works, and the second supplemental.

Banking: Housing subcommittee will continue on S. 1354, the omnibus housing bill.

Commerce: Full committee executive on April 6, to be followed by hearings on Rupert Murphy and John Bush to be members of ICC. Subcommittee hearings April 7 and 8 on S. 179 and S. 1098, freight car shortage.

District of Columbia: Subcommittee hearings April 6 in connection with adjustment of traffic tickets in the District of Columbia. Subcommittee hearings April 8 on S. 1316, authorizing the District of Columbia Commissioners to enter into joint contracts for supplies and services; and S. 1314, authorizing District of Columbia Commissioners to close streets in connection with redevelopment or urban renewal projects.

Foreign Relations: Continues markup on foreign aid authorization bill.

Interior and Insular Affairs: Subcommittee hearings April 5 on S. 1413, Colville Indian termination bill. Subcommittee hearings April 6 on S. 339, to establish Agate Fossil Beds National Monument, Nebr. Subcommittee hearings April 7 on S. 1088, authorizing construction of Touchet Division, Walla Walla project, Oregon and Washington.

Judiciary: Hearings will continue April 5 on voting rights bill (S. 1564), to be followed by markup sessions and reporting on April 9.

Labor and Public Welfare: Full committee executive April 6 on H.R. 2362, the Elementary and Secondary Education Act. Subcommittee hearings April 7 and 8 on S. 1566, to extend the Juvenile and Youth Offenses Control Act.

Public Works: Subcommittee hearings April 6, 8, and 9 on S. 306, to provide research programs relative to controlling air pollution resulting from gasoline and diesel engine fumes.

Mr. President, I ask unanimous consent that a résumé of Senate legislative activity through April 1 be included in the RECORD at this point.

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

SENATE LEGISLATIVE ACTIVITY THROUGH APRIL 1, 1965

The tally sheet so far—

Senate activity:

Days in session	23
Hours in session	176:30
Total measures passed	149
Confirmations	23,262
Public Laws	6

PRESIDENTIAL RECOMMENDATIONS

APPROPRIATIONS

Agricultural Supplemental: Appropriated $1.6 billion for Commodity Credit Corporation, allowed the President final discretion in shipping surplus food to Egypt, and suspended until May 1 the planned closing of 11 VA hospitals, 4 domiciliaries and the merger of 17 regional offices. Public Law 89–2 (PR)

CONGRESS

Joint Committee on the Budget: Established a 14-member Joint Committee on the Budget composed of 7 members from each Appropriations Committee, 4-to-3 ratio. The purpose of the Joint Committee is to serve the Appropriations Committee year-round with the same expertise as the Bureau of Budget for the executive. S. 2 passed Senate January 27.

Joint Committee on Organization of Congress: Established a 12-member bipartisan Joint Committee on the Organization of Congress to make a full and complete study of the organization and operation of Congress and to recommend improvements. Rules changes are eliminated from the study. Authorizes $150,000 through January 31, 1966, to be paid from the contingent fund of the Senate. First report to be submitted 120 days following effective date of the resolution. Senate Concurrent Resolution 2 passed Senate March 9, 1965; Passed House March 3, 1965.

DEFENSE

Zinc, lead and copper: Authorized the disposal of 200,000 tons each of zinc and lead and the sale of 100,000 short tons of copper to producers and processors. H.R. 1496 Public Law 89–

Stockpile Act: Provides more statutory guidance on the purpose for which materials would be stockpiled; provides for disclosure to Congress and the public, pertinent information on the management; permits disposals of surplus material without requiring congressional action on each while retaining in Congress the power to disapprove proposed disposals; and makes contracts for furnishing materials to the stockpile subject to the Renegotiation Act. S. 28 passed Senate February 9.

ECONOMY

Aid to Appalachia: Authorized $1.1 billion in aid to the 11-State Appalachian region and established the Appalachia Regional Commission; $840 million of this amount will be in the form of Federal grants for a 5-year highway construction program and a 2-year authorization of $252.4 million for a variety of economic development projects. Public Law 89–4 (PR).

Disaster victims: Directs the Housing and Home Finance Administrator to make an immediate study of alternative programs which could be established to help provide financial assistance to those suffering property losses in flood, earthquake, and other natural disasters, including alternative methods of Federal insurance as well as the existing flood insurance program. S. 408 passed Senate January 28.

Gold cover: Repeals the requirement of 25 percent gold backing of commercial bank deposits held by the Federal Reserve banks, but retains the 25-percent requirement against Federal Reserve notes in actual circulation. Public Law 89–3 (PR).

Manpower Act of 1965: Extends the Manpower Development and Training Act to June 30, 1970, authorizes $454 million for fiscal 1966, and provides up to 2 years' training in classrooms or on the job for persons unemployed because they lack education or skills. S. 974. In conference (PR).

GENERAL GOVERNMENT

Goddard Day: Designates March 16, 1965, as Goddard Day in honor of Dr. Robert Hutchings Goddard, the father of modern-day rocketry. Public Law 89–5.

Water pollution control: Vests authority to establish purity standards for interstate water and authorizes $80 million in new grants to help States and localities develop new methods of separating combined stormwater and sewage-carrying sewer systems; increase the dollar ceiling limitations on individual grants for construction of waste treatment works from $600,000 to $1 million for a single project and from $2,400,000 to $4 million for a joint project involving two or more communities. S. 4 passed Senate January 28. H. Cal. (PR.)

Water pollution control—Federal installations: Provides for improved cooperation by Federal agencies to control water and air pollution from Federal installations and facilities and to control automotive vehicle air pollution. S. 560 passed Senate March 25.

HOUSING

Distressed homeowners: Authorizes the Veterans' Administration to extend aid to distressed homeowners who, after relying on VA or FHA construction standards and inspections, find structural or other major defects in their properties purchased with GI mortgage loans which affect the livability of the property. S. 507 passed Senate January 27. (PR.)

INDIANS

Pueblo Indian irrigation charges: Extends to 1975 the authority initially granted the Secretary of Interior by the act of August 27, 1935, to enter into contracts with the Middle Rio Grande Conservancy District, New Mexico, for payment of operation and maintenance charges involved in the irrigation of some 11,000 acres of Pueblo Indian lands within the district. S. 1462 passed Senate March 29.

Movable Property Act: Authorizes the Secretary of Interior to transfer title to movable property to municipalities which assume operation and maintenance responsibilities for project works serving municipal and industrial functions under the same conditions and on the same terms as title may be transferred to an irrigation district or water users' organization which assumes operation and maintenance responsibilities for project works serving an irrigation function. S. 1000 passed Senate March 29.

Postal rates for volunteer fire companies: Adds volunteer fire companies to the group of qualified nonprofit organizations entitled to use preferential second- and third-class postage rates for bulk mailings. S. 390 passed Senate March 29.

HEALTH

Community health services extension: Extends for 5 fiscal years, 1966–70, authority for grants to States and communities for mass immunization programs against polio,

diphtheria, whooping cough, tetanus, and adds measles. Extends for 1 year general and special health services, including those for migratory workers, chronically ill and aged, and grants for research to improve such services. S. 510 passed Senate March 11 (PR).

Loan cancellation: Permits cancellation of a portion of the unpaid balance of a student loan awarded to a physician or dentist who practices in a shortage area. S. 576 passed Senate January 28.

INTERNATIONAL

Coffee implementation: This bill implements the International Coffee Agreement ratified in 1963, and authorizes the President to require all coffee entering U.S. markets and all exports of coffee to be accompanied by a certificate of origin or a certificate of reexport. Limits imports of coffee from countries which have not joined in the agreement; and requires certain recordkeeping. S. 701 passed Senate February 2 (PR).

Disarmament act amendments: Authorizes an appropriation of $20 million for fiscal years 1966 and 1967 for the Disarmament Agency, thus continuing the authorization on the same basis as fiscal years 1964 and 1965. H.R. 2998, in conference (PR).

Inter-American Development Bank: Provides for a $750 million increase in the U.S. contribution to the Fund for Special Operations of the Inter-American Development Bank—over a 3-year period at the rate of $250 million a year. This represents the U.S. share of a planned $900 million increase in the fund which will serve to strengthen multinational aid and the Alliance for Progress. Public Law 89-6 (PR).

JUDICIAL

Illicit traffic in child adoption: Imposes Federal criminal sanctions on persons engaged in interstate or foreign commerce in the illicit traffic of placing children for adoption or permanent free care. S. 624 passed Senate March 22.

PRESIDENCY

Presidential succession: Proposed an amendment to the Constitution that will totally replace article II, section I, clause 5, relating to succession to the Presidency and Vice-Presidency. Senate Joint Resolution 1 passed Senate February 19. House Calendar (PR).

RESOURCE AND RECREATION BUILDUP

Bighorn Canyon National Recreation Area: Authorizes $355,000 for the establishment of the Bighorn Canyon National Recreation Area in the States of Montana and Wyoming to provide for public outdoor recreation use and enjoyment of the proposed Yellowtail Reservoir, and for the preservation of the scenic, scientific, and historic features of the area. S. 491 passed Senate February 10 (PR).

Kaniksu National Forest: Authorizes up to $500,000 from the land and water conservation fund to extend the boundaries of the Kaniksu National Forest to include lands necessary for the protection and conservation of the scenic values and natural environment of Upper Priest Lake in Idaho. S. 435 passed Senate March 4.

Manson irrigation unit, Washington: Authorizes $12.3 million for the construction and operation of the Manson unit of the Chief Joseph Dam project. The Manson unit has an irrigation potential of 5,770 acres of land, with half of the costs reimbursable. S. 490 passed Senate February 10.

Nez Perce National Historical Park, Idaho: Authorizes $630,000 for the purchase of 1,500 acres of land to establish the Nez Perce National Historical Park to commemorate, preserve, and interpret the historic values in the early Nez Perce Indian culture, the tribe's war of 1877 with U.S. cavalry troops, the Lewis and Clark Expedition through the area early in the 19th century, subsequent fur trading, gold mining, logging, and missionary activity. S. 60 passed Senate February 10.

River basin planning: Authorizes Federal grants of $5 million a year in matching funds to States for State project planning over a 10-year period; sets up a Cabinet-level water resources council to coordinate river basin planning; and authorizes creation of river basin commissions for regional planning. S. 21 in conference (PR).

Tualatin project, Oregon: Authorizes up to $23 million for the Federal construction of the multipurpose Tualatin reclamation project in Washington County, Oreg. S. 254 passed Senate April 1.

Water Resources Research Act: Amends the 1964 Water Resources Research Act to authorize grant, matching, and contract funds for assistance to educational institutions in addition to State land-grant colleges, to competent private organizations and individuals, and to local, State, and Federal agencies in undertaking special research in water resource problems. Authorizes $5 million for fiscal 1966 and increases the authorization by $1 million annually until the level of $10 million is reached. The ceiling of $10 million will remain thereafter. S. 22 passed Senate March 25 (PR).

Yakima project, Washington: Authorizes $5.1 million for the extension, construction, and operation of the Kennewick division of the Yakima project with an irrigation potential of 7,000 additional acres (present irrigated acreage is 19,000). All but approximately $135,000 is reimbursable. S. 794 passed Senate February 10.

TAXES

Motor fuels taxation compact: Grants the consent of Congress to any of the several States and the District of Columbia to enter into a compact relating to taxation of motor fuels consumed by interstate buses and to an agreement relating to bus taxation proration and reciprocity. S. 307, Public Law 89-11.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. SMATHERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

TIME FOR A THINK-IN

Mr. SMATHERS. Mr. President, there comes a time in the course of political and social change when moderation becomes a vital ingredient. The American process of nonrevolutionary change requires both the catalyst and the tranquilizer. The recent events in Alabama are beginning to demonstrate the need for a "think-in"—a period of cooling-off by those pressing for expanded voting rights for all Americans.

It is tragic and regrettable that the Alabama confrontation has caused the deaths of the Reverend James Reeb, Viola Gregg Liuzzo, or Jimmy Lee Jackson. I know my colleagues from the great State of Alabama and the overwhelming majority of Alabamians regret and deplore the taking of human life.

Mr. President, I am confident the courts of Alabama and the citizens of that State will face their responsibilities in dealing with the crime of murder.

I have been a frequent critic of the Supreme Court and some of its recent decisions, but I think Chief Justice Warren commented succinctly on the role of the courts in dealing with barbarous acts of society:

"When society acts to deprive one of its members of his life, liberty, or property, it takes its most awesome steps," Mr. Justice Warren wrote in *Coppedge* v. *United States*. "No general respect for, nor adherence to, the law as a whole can well be expected without judicial recognition of the paramount need for prompt, eminently fair, and sober criminal law procedures. The methods we employ in the enforcement of our criminal law have aptly been called the measure by which the quality of our civilization may be judged."

All decent Americans want to see the covert assailants, the attackers-by-night, brought before the bar of justice.

But there is abroad now a movement to indict the entire State of Alabama—and indeed much of the South—for the acts of a handful of terrorists, men outside the law wherever they may be found.

There can be no defense for terrorism. But at the same time, the aftermath of tragedy should not be the building of new tensions and new animosities which can only serve to harden attitudes and light those torches which draw the assassins from dark corners.

I refer, Mr. President, to such manifestations as a call for an economic boycott of the State of Alabama—tantamount to a plea for genocide.

This plea comes at a moment in history when the President of the United States, in the strongest possible terms, has already endorsed the drive for equal opportunity and particularly for voting rights for all Americans.

The President of the United States, it may be pointed out, made clear his position long before Selma. One needs only to read his state of the Union message to discover this.

There will shortly come before the Senate, legislation dealing with voting rights. The Senate will discharge its responsibilities on this legislation in its best judgment—not under pressure or under threat.

I need not dwell here on the merits of this legislation. Even when I opposed the civil rights bills of 1957, 1960, and 1964, I emphasized that I did not oppose giving every American the right to register and vote.

I am still committed to that principle and if the forthcoming legislation confers this right without imposing a civil wrong, then I shall support it.

Mr. President, this legislative body will be hampered and the people of Alabama, white and Negro, will be badly served if the spirit of Thaddeus Stevens is reincarnated.

One of the provisions of the Civil Rights Act of 1964 to which I was opposed was the so-called genocide title—title VI—which provided for cutting off Federal funds to the States under certain conditions.

I am still opposed to placing on the Federal statutes any fiat which arrays the Federal Government against a region or a class of people.

I am similarly opposed to invoking economic sanctions against the State of Alabama at this time. There is no need to inflame and incite at a period when the best of men's thoughts must be rallied.

The New York Times of April 1 also reports that the Childs Securities Corp. has written Gov. George Wallace and notified him it would no longer buy or sell bonds issued by the State or any of its political subdivisions. While this is only one firm, similar actions by other bond houses could have a profound effect on the State's economy.

Whose purpose would it serve to have a mouthful of civil rights and no bread?

The path to equal opportunity, Mr. President, means not only voting rights, but education and jobs.

We are not dealing here with a foreign power intent on overthrowing democracy. Alabama is not Cuba. We are talking of Americans who have a wide range of beliefs, living in one of our 50 States.

It would be a misguided and ill-timed decision indeed to seek genocide penalties against the State of Alabama at this time.

Dr. Martin Luther King, who proposes the boycott, says he has been accused before of taking actions at untimely moments. But, Mr. President, Dr. King will merit that criticism in this instance if he persists in urging economic reprisals.

Similarly, he errs when he counsels a moral obligation to obey "just laws" but not "unjust laws." The civil rights movement cannot be immune to court orders any more than the body of society.

Respect for the law is a cornerstone of the Judeo-Christian ethic. The Apostle Paul, counseled respect for authority even under Roman tyranny.

Mr. President, conciliation is a spirit that undergirds civilization. We need that spirit of conciliation now—not bombs on the doorsteps of public officials or cries for vengeance.

I think it was an act of wisdom when Congress wrote into the civil rights bill the establishment of a Federal Conciliation Service for civil rights.

My colleague, Senator HOLLAND, and I supported the President's nominee for Director of that organization, a former Governor of our State, LeRoy Collins.

It is significant that Governor Collins has also urged a slowdown of demonstrations and a lessening of pressures in Alabama. He has been on the scene and knows to what degree tempers can be frayed in tense situations such as these.

Mr. President, I believe in the right of peaceful assembly and the right to petition for redress of grievances. But this must be consistent with public order.

I believe that civil rights marchers had the right to proceed from Selma to Montgomery in an orderly fashion, without obstructing traffic. I believe they were entitled to protection in that course.

It was tragic that, in the final hours of that peaceful demonstration, self-appointed vigilantes chose to strike down Mrs. Liuzzo in the most cowardly manner.

But cries for vengeance cannot restore Mrs. Liuzzo to life. Alabama needs no more martyrs. The point is made, the issue dramatized. This is not the time for retaliation or for pitting race against race, or Federal Government against State.

Let Alabama be given time to breathe; let the Congress have the opportunity to proceed in an orderly fashion; let the civil rights movement demonstrate its bond with the Constitution.

For civil rights—or any right—is not the special charge of any single agency or Government. I believe with James Madison that "the ultimate authority resides with the people alone and it will not depend on the comparative ambition of the different governments, whether either, or which of them, will be able to enlarge its sphere of jurisdiction at the expense of the other."

In sum, Mr. President, let us proceed to resolve this issue of voting rights in an atmosphere which permits thought and reflection which allows us, as legislators, to move in a manner that does not rip the fabric of Federal-State responsibility.

My own State of Florida has long been proud of a record of peaceful race relations. The State legislature eliminated the poll tax more than 25 years ago. There are no literacy tests or other artificial barriers to voting. I am confident that this record of achievement will continue.

But the pace of progress will be impeded by extremism on either side. The civil rights movement will make a serious mistake if it concludes that more and more demonstrations are necessary and that it must shift from Selma to Tallahassee or anywhere else.

Demonstrations are not an end in themselves. And even Mahatma Gandhi, whose concept of nonviolent demonstration is embraced by Dr. King and the rights movement, also knew the use of restraint.

Mr. President, I ask unanimous consent that a column by William S. White, dealing with this subject, which appeared in the Washington Post of March 31, be printed at this point in the RECORD.

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

KING'S BOYCOTT: A SHOCKING DEMAND

(By William S. White)

An odor of totalitarianism is rising from the supposedly nonviolent leadership in the Negro civil rights movement of the Reverend Dr. Martin Luther King, Jr.

Just as it had seemed that the men of reason and restraint, North and South, were at last to be able to raise their heads in this tragic business, Dr. King's call for an economic boycott of the entire State of Alabama has shocked the sensible North, repelled and sickened the moderate South, and maddened and rearmed those irreconcilable southerners who resist any and all concessions to the Negro.

It is an act hardly less damaging to the cause of true civil rights than the acts on the other, far end of the stick of such men as Gov. George C. Wallace, of Alabama, and former Gov. Ross R. Barnett, of Mississippi.

For what Dr. King proposes is tactically indefensible and morally intolerable. It is nothing less than the application of the principle of total warfare—against the just as well as the unjust, against Alabama Negro as well as Alabama white. A man who appeals so often to the higher moral law now urges what is in principle the economic bombing of defenseless cities.

Its timing is, moreover, provocative and mischiefmaking beyond ready belief. For Dr. King summons up the forces of unreason and the technique of the general strike at the very moment when the entire Johnson administration and a great majority of Congress are engaged upon a historic program to secure Negro voting rights beyond doubt or question. And it is this man, this holder of the Nobel Prize for peace, who has so long been presented as the chief voice of responsibility and reason within the Negro movement.

If his demands were not already being met as fast as elementary orderliness and a decent regard for the minimum rights of dissenters in a free society could possibly meet them, his position might to some extent be understandable, even though it would still be wrong.

In all the existing circumstances his attitude surely cannot be adopted even by the most advanced civil rights advocates unless they believe that a single, unelected person, granting him, if one wishes, the highest motives, is entitled to pronounce a judgment of economic strangulation upon a part of the American Union.

It is not pleasant to be in the middle of an issue such as this. Americans are not even remotely aware of the depth of bitterness being fomented in this Nation by the George Wallaces—and also, let Northern people recognize by the Martin Luther Kings.

All the same, the middle way is the only way if justice and national union and national order are to be preserved; for justice never lies with the men of passion and violent tongue.

That part of the South which will not submit to fair play for the Negro is demonstrably being forced to its knees by lawful process lawfully employed. Is it not now time, in all conscience, for an end to, or at least a suspension of, the long pillorying of one tortured region of this country? Is it not now time to put a period to marches and demonstrations, and now to an outright effort to destroy the economy of a whole State, at least until Congress has had some kind of chance to work its will?

ESTONIA, LATVIA, AND LITHUANIA: ONCE PROUD REPUBLICS, NOW GRIM REMINDERS OF SOVIET COLONIALISM

Mr. KUCHEL. Mr. President, since the Second World War, the Western nations have been repeatedly condemned as imperialist or colonialist. Yet these countries, including France, Belgium, Britain, and the United States, have enabled countless African, Asian, and Asian Pacific nations to establish independent governments. Mr. President, should not the Soviet brand of imperialism be exposed for the brutal thing that it is? Should not the nations of the world, assembled as the United Nations, be confronted with the plight of citizens of the captive states of Estonia, Latvia, and Lithuania and the other nations of Eastern Europe?

As the American people have recently paid honor to our first President, the people of a small nation celebrated the 47th anniversary of their independence. Last February 24, the people of Estonia recalled the creation of their free independent nation. Americans that week celebrated the birthday of George Washington with a confidence that freedom, preserved for over a century and a half, will continue. But for Estonia, Latvia, and Lithuania, freedom was short lived,

and today these people are prevented from exercising their will. They are stifled by an outside force whose actions betray a total absence of respect for the individual.

Mr. President, I urge my colleagues to give thoughtful consideration to Senator DIRKSEN's resolution, Senate Concurrent Resolution 10, of which I am very glad to be a coauthor. The distinguished minority leader's proposal requests that the President of the United States bring before the United Nations for its consideration the question of the forceful incorporation into the Soviet Union of the many captive nations and peoples now behind the Iron Curtain which stretches from the Baltic to the Black Sea.

The Baltic nations to which I refer, the nations of Estonia, Latvia, and Lithuania, are neither new nor insignificant. The search for free institutions is both the common thread which unites the history of the Baltic peoples and the common experience which draws Americans and free men everywhere to their cause. Today Communist exploitation and suppression continue to sicken us, in Asia and in Europe; in Cuba as in some of the evolving nations of Africa. It plagues the consciences of men who are at liberty to determine their own government and who value the concept of civil liberties so central to the success of a democratic form of government.

The Lithuanian kingdom, founded over 700 years ago, in 1253, lapsed into confusion when the first and only Lithuanian King, Mindaugas, was assassinated 10 years after he was crowned. It was not until the 15th century that the Lithuanian people united with the Poles, as both nations sought to rid their lands of German Teutonic hegemony. Estonia was subjugated to Swedish, then Russian rule. Latvia witnessed similar strife during the centuries which preceded the French Revolution. Yet, with the upheaval of the French Revolution, new intensified pressure focused on eastern Europe and the Baltic.

The French Revolution marked the beginning of modern political Europe. The economic, social, and military turmoil of that Revolution and the Napoleonic Wars scarred the map of the Continent. The Congress of Vienna, in 1815, froze many of the changes which came about, as delegates to the meetings attempted to stifle the nationalistic sentiments sweeping the Continent. The Baltic peoples' modern difficulties began with the upheaval of the French Revolution. As a result of the 1815 Congress, the Russian czar became both the King of Poland and the Grand Duke of Lithuania. Throughout the 19th century the Baltic lands were eyed by the Prussians, the Austrians, and the Russians. Late in the century, as tension in eastern Europe and the Middle East increased, and as the Continent and the world moved inexorably toward the First World War, Russian rule tightened in Lithuania and other Baltic States. Civil liberties were suppressed in an attempt to lessen Lithuanian, Estonian, and Latvian nationalism. The Russians unsuccessfully attempted to impose their values and standards on the Baltic peoples. They continue that attempt today. Freemen believe this imposition of a totalitarian system should cease.

The Bolshevik Revolution in 1917 afforded Lithuania, Latvia, and Estonia the chance to proclaim their independence. The Lithuanian people declared their independence on February 16, 1918, the Estonians on February 24, 1918, and the Latvians on November 18, 1918, but hope for free institutions was cruelly snuffed out by the German occupation. After the war, despite the fact that the Baltic States were caught between Russia and Germany, independent governments and free institutions were created. The Soviet Union repeatedly acknowledged the independent status of the Baltic States.

In 1921, Estonia, Latvia, and Lithuania joined the League of Nations. Remarkable social and economic improvements were made in the 1920's and 1930's despite postwar and depression conditions. The late, great Herbert Hoover returned to Latvia and Estonia in 1938, having previously seen conditions in the Baltic at close range when he supervised wartime and postwar relief and rehabilitation operations. Mr. Hoover compared conditions in the Baltic with those in Russia for a special committee of the House of Representatives:

> The Baltic States, in contrast, had a free economy. Their currency was stable, their currencies were convertible into gold, they were accepted all over the world. Their fiscal policies were completely successful; their budgets were all balanced, their industries were thriving; their agriculture was making an astonishing progress.
>
> "The result was that the standard of living in the Baltic States was about as high as any standard of living in Europe, possibly outside of Switzerland and Norway.
>
> "The contrast with Russia was so great that it became one of the menaces of the Baltic States. The Russian people were constantly attempting to escape from Russia into the Baltic States. The Russians had established a barbed-wire fence over some portion of that border—I don't know how many miles—but in any event, they maintained a rigid picket line in order to repel their own people from escaping into the more prosperous Baltic States to live." (P. 217, hearings of House Select Committee To Investigate the Incorporation of the Baltic States into the U.S.S.R.—83d Cong., 1st sess., held under authority of H. Res. 346.)

Despite the remarkable economic successes and democratic achievements of the interwar period, the onslaught of the Second World War doomed all Europe to oppression and chaos. Lithuania provides an illustration. For that nation a brief, challenging period of political and economic freedom came to an abrupt end in June 1940, in the form of a Soviet ultimatum to form a friendly government. Immediate Soviet occupation of this small nation decided the issue and within a month the pattern was complete. Deportation to Siberia, on-the-spot execution of potentially dangerous patriots and well-educated citizens, and phony single slate elections with handpicked candidates on the ballot were all part of the story. Lithuanians, once again caught between Germany and Russia, found their nation the scene of German invasion as Germany attacked Russia.

The Nazis occupied the area from 1941 to 1944. Following the German retreat the second wave of Soviet troops poured in. The following 4 years saw the forced collectivization of Lithuanian agriculture and deportation on a scale so massive it is difficult for us to fathom. In this time, roughly 10 percent of the population, or 300,000 people were uprooted.

As Americans, our position is clear; for we believe that men should be able to determine their own destinies. From all reliable sources we understand that the Soviet Union has attempted to impose an order, an economy, and a value system, all of which are contrary to the history, but most important to the aspirations of the Baltic peoples.

The Soviet Union shall not succeed. As the human race careens into the second half of the 20th century, evidence increases that the Soviet hold on her satellites is slipping. The Communist bloc has become the antithesis of a monolithic structure. Is this not the time for the Congress and the American people to repledge its support for the aspirations of men and women who hope to create an open, free, and individualistic society?

While our continued policy on nonrecognition of the present puppet regimes in Latvia, Lithuania, and Estonia has been made clear, representatives of the Department of State have argued that the United Nations is not the place for a discussion of this question. If the U.N. is not the place for discussion of tyranny in the Baltic, as well as colonialism and racism in South Africa, or civil war in the Congo, then no forum for discussion exists.

I want to make one thing absolutely clear. I do not think for a moment that the passage of Senate Concurrent Resolution 10 will influence Russian policy or that it will bring about free elections under United Nations auspices. The passage of this resolution may serve, however, to give an important fact a wider hearing. The Russian Communists claim they advocate self-determinism in Africa. Yet they have carried out a severe imposition of their will upon men who live in the Baltic and Eastern European States. Americans find the U.S.S.R.'s policy in direct opposition to the principles of self-determination. We find that policy of suppression—no matter where it occurs—reprehensible. This resolution would hopefully serve as an added source of strength to the people who are forced to live behind the Iron Curtain.

MEDICARE SUPPLEMENTAL HEALTH BENEFITS AND SOCIAL SECURITY PACKAGE

Mr. CURTIS. Mr. President, is the Senate operating under a time limitation?

The PRESIDING OFFICER. The Senate is proceeding on routine business under the 3-minute rule.

Mr. CURTIS. I ask unanimous consent that I may proceed for 7 minutes.

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

Mr. CURTIS. I wish to speak on the so-called medicare proposal and the social security package, H.R. 6675.

H.R. 6675 which is a social security bill calling for the enactment of medicare and an additional program referred to as a supplementary health benefits program should not be enacted. This bill has just recently come into print. It consists of 296 pages. Much of the language is technical.

The people of the United States have not had an opportunity to study this bill. They have had no opportunity to contemplate its cost either immediately or in 10, 25, or 50 years from now. The extent to which this bill will change our private enterprise economy cannot be comprehended without sufficient time for study and discussion.

In the short while that this bill has been available I have attempted to familiarize myself with its provisions. I am of the opinion it neither properly defines the need of our elderly in regard to medical care nor does it properly meet their need. The enactment of this bill will plunge our country into a permanent program having many bad features from which there will be no retreat.

A social security bill is in a category by itself. The Congress can enact a public works program or a tax program or some other program, and, if it is not satisfactory after 2 years, for example, bring it to an end. We cannot add new benefits to our social security law and say there is a termination date. How could we enact the provisions of this bill and say that they shall end in 5 years, or 10 years, or 2 years after we have tried it? Any decision the Congress makes now is a permanent decision. It will run in perpetuity, or the social security system will collapse.

I do not want the system to collapse. I want every commitment made to every citizen paid, and paid in full, and paid in dollars that are of value.

This proposal should be held in abeyance until the next session of Congress. The interests of our elderly people and the interests of those people who will bear the cost of whatever program is adopted should be paramount. Is there any reason why the Congress should not submit this bill to public consideration for a period of months before it is acted upon?

I wish to make the following observations about this proposal:

First. If this bill is enacted, the social security tax for an employee earning the full amount of the covered wage will increase from $198 to $243.60 in 1966 and to $353.10 by 1973. The self-employed person, if this bill is passed, and if he earns the full amount of income covered, will have the present tax of $297.60 per year increased to $355.60 in 1966, and by 1973 it will be $498.30.

Second. By 1967, in addition to the increased social security tax, $875 million will be required out of the general fund of the U.S. Treasury to pay the costs of H.R. 6675. These costs will increase.

Third. The social security tax including these new added burdens will fall heaviest upon the poor people, the working people, the people who are raising families, the physically handicapped and the blind. This is true because there is no personal exemption for the taxpayer and his dependents as there is in the income tax. Neither are any deductions allowed. The individual supporting a large family and earning $5,600 next year will pay as much into the social security fund as the person whose income is $56,000 or $560,000. In fact, if the person with the high income receives all of his income from investments, he will pay nothing into the social security fund.

Mr. President, why should Congress be stampeded into increasing the tax upon the poor, the working people, the physically handicapped, and the blind, in order to pay the hospital bill of someone well able to pay it himself, including the very wealthy?

Fourth. Under this bill, if it is enacted, hospital and medical benefits will be provided free of charge for those who can well afford to pay their own medical bills, or to buy adequate private insurance. This includes the well-to-do, the wealthy and the very wealthy.

Fifth. This proposal, if enacted, will do very little for the individual or the family that suffers from a catastrophic illness. If an individual is hospitalized continuously for 1 year or 2 years, 5 years or 10 years, the medicare provisions will provide him with 60 days hospitalization only, less the $40 deductible.

If anyone should have the consideration of Congress, if anyone should have public funds to assist him, is it not the individual who has a catastrophic illness which goes on and on and on?

Sixth. The supplemental health benefits provisions of H.R. 6675 put the U.S. Government directly into the insurance business. The Government will be the insurer. The Government will take the risk. It is a plan whereby individuals over 65 may participate, if they choose, by paying a premium of $3 a month to the Federal Government and the Federal Government will also pay $3 a month into the fund. The U.S. Government, as the insurer, guarantees that the $3 rate to be paid by the individual will not be raised for a year and a half.

Seventh. If the supplemental health and medicare portions of H.R. 6675 are enacted, it will be the beginning of the end of private hospital and medical insurance for individuals over 65. Great progress has been made by private companies in providing insurance for those over 65. All of these benefits will come to an end if the Federal Government invades the field and acts as insurer and pays one-half of the monthly cost.

Eighth. The $3 per month Government subsidy for the supplemental health benefits provided for under the Government insurance portion of the bill will be paid for on all over 65 who wish to participate, including those well able to pay for their own insurance and regardless of their property or income.

Ninth. While the Government is the insurer and takes the risk for the supplemental health benefits, the administration of the program will be handled by outside carriers, supposedly such organizations as Blue Cross or insurance companies. Those outside carriers will be selected by the Secretary of Health, Education, and Welfare. The Secretary, in determining what companies he shall employ as outside carriers, will be able to oversee the work of such carriers and their contracts with doctors. Ultimately, all will toe the mark.

Tenth. The supplemental health benefit provisions of H.R. 6675 fail to provide for the individual who requires long and continued hospital or home nursing care. The individual hospitalized for 10 years will still get only 60 days free hospitalization less the $40 deductible.

Eleventh. This gigantic program, which will so burden people of the United States and change the economy, will not provide drugs or medical prescriptions for any aged person outside of the hospital.

THE PRESIDING OFFICER. The time of the Senator from Nebraska has expired.

Mr. CURTIS. Mr. President, I ask unanimous consent that I may proceed for 1 additional minute.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 1 additional minute.

Mr. CURTIS. Mr. President, twelfth, the individual over 65 who continues to work and who avails himself of coverage under the supplemental health benefits will carry an enormous social security burden. If such an employee earns up to the maximum amount of covered wages or income, his social security burden will go from the present $198 to $279.60 in 1966, and to $389.10 by 1973. In the case of the self-employed person over 65, his social security burden—if H.R. 6675 is enacted and he continues to earn the maximum—will increase from the present $297.60 to $391.60 in 1966 and to $534.30 by 1973.

Mr. President, we should enact that portion of the bill which increases benefits under the present program. Many low-income people in this country need the increase. That increase should be enacted now. The new bill—which the whole country has not seen until the last few days—should be held in abeyance, so that it can be submitted for public study and discussion.

Mr. President, I yield the floor.

VOTING RIGHTS ACT OF 1965—ANALYSIS BY SENATOR BYRD OF VIRGINIA

Mr. ROBERTSON. Mr. President, on April 2, the distinguished senior Senator from Virginia, Hon. HARRY F. BYRD, released to the press a statement indicating his unalterable opposition to the administration's new voting proposal labeled "Voting Rights Act of 1965."

In pointing out how the bill is aimed specifically at Virginia and five other Southern States, he charged that at other times and for other purposes it could be used to destroy the constitutional rights of any State. Senator BYRD said:

> I have analyzed all provisions of the bill. They are iniquitous in effect and contemptible in design.

He also characterized the bill as being vicious, harsh, hypocritical, and discriminatory. He said:

The Attorney General tortures legal reasoning in the scheme he contrived to include and exclude States from the vengeful clutches of his bill.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the full text of Senator BYRD's analysis of Senate bill 1564.

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

STATEMENT BY SENATOR HARRY F. BYRD, OF VIRGINIA, IN RE THE ADMINISTRATION'S SO-CALLED VOTING RIGHTS ACT OF 1965

To the People of Virginia:

This is a statement about the administration's so-called Voting Rights Act of 1965. I am making it as a Member of the U.S. Senate representing Virginia under oath to uphold the Federal Constitution.

I am intensely aware of the democratic liberties to be achieved through our form of government, and to be guarded by it.

I am also dedicated to preservation of the principles and requirements of our State-local-Federal system and the checks and balances necessary to protect it.

The Federal Government of this country has worked itself into fiscal, monetary and military difficulties which are exceedingly serious.

Now the Federal administration is allowing itself to be influenced beyond reason by the emotion of domestic hysteria; and by its own actions it is inflaming so-called civil rights issues.

The so-called voting rights bill now before Congress is an act of the present administration. It admittedly was drafted by the Federal Attorney General.

It is a vicious bill. It clearly bears the unreasonable stamp of hysteria. Even Chairman EMANUEL CELLER, the New York chairman of the House Judiciary Committee, has called it harsh.

The administration has pushed its consideration ahead of everything else. Committee hearings have been arbitrarily limited. Efforts to amend it are discouraged.

There is a terrific administration pressure to pass the bill before Easter. But this statement is not made with such intemperate haste. Instead, it is made with all deliberate speed.

I have analyzed all provisions of the bill. They are iniquitous in effect and contemptible in design. The administration has been advised of the odium in which I hold its proposal.

I have also studied the Federal Attorney General's testimony. He admits drafting the bill. Neither the bill nor the testimony is worthy of men entrusted with high office in the National Government of this country.

The proposal is made in the name of voting justice. It would be less hypocritical and more accurate to describe it as Federal law designed for vindictive use against six States selected in advance.

It is a proposal grossly to offend Virginia; and not only this. It is subversive of the Constitution of the United States and the whole system under which we are governed.

The Attorney General has documented his own cynicism. He has proclaimed his impatience with judicial process, and his lack of faith in it.

I quote directly from the prepared testimony of the Federal Attorney General before the Senate Judiciary Committee on March 23, 1965. He said: "* * * the judicial process, upon which all existing remedies depend, is institutionally inadequate to deal with practices so deeply rooted in the social and political structure."

I never expected to hear a responsible member of the legal profession or an Attorney General of the United States take such an attitude or make such a public statement about the judicial process.

Based on this rejection of government by law and not men, this Federal Attorney General seeks in a voting rights bill to arrogate judicial power to himself in areas of his own choosing.

A written Constitution protects us from despotic rule. For this protection against oppressive government we rely on the checks and balances of division of power and separation of powers.

The power of government is divided between State and Federal Government. And in both State and Federal Government, legislative, judicial, and executive powers are separated.

The Federal Attorney General, speaking for the administration, is demanding that the legislative branch of the Federal Government empower him—a political appointee in the executive branch—to preempt the judicial branch in areas he has chosen to punish.

That is not all. He is demanding power by Federal legislation to usurp the constitutional power of States he has already chosen to be his victims.

There is more. He is demanding this power under general Federal law which by his own design is limited to enforcement in only a handful of States.

He decries racial discrimination in voting practices, but he deliberately wrote this bill to exempt all voting discrimination in a four-fifths majority of the 50 States from its application.

The Federal Attorney General tortures legal reasoning in the scheme he contrived to include and exclude States from the vengeful clutches of his bill.

The States he wants to incriminate are caught by his own dictates combined with a devious statistical formula. Under terms of the bill—

The Federal Attorney General—by asserting that the voting requirements in a target area are racially discriminatory--may indict a whole State or any subdivision as violating the Constitution of the United States and Federal law; and

If 50 percent of the voting-age people in the area were not registered to vote on November 1, 1964, or if 50 percent did not choose to vote in the 1964 presidential election, the State or locality—with never a day in court—is automatically guilty of the Federal Attorney General's indictment.

When a State or locality is convicted by this kangeroo procedure, the Federal Attorney General orders invasion of the State or subdivision by an unspecified number of Federal registrars.

Occupation of the State or subdivision by the Federal registrars will continue for an unspecified and indefinite period of time.

The purpose of the Federal registrars is to impose and enforce the will of the Federal Attorney General with respect to voting laws, ordinances and practices in the State or locality.

The practices, operations and locations, etc., of the Federal registrars are limited only by the whim of the Federal Attorney General, but they will include registration of persons to vote when they claim they have been disqualified under State or local requirements. And the Federal registrars will collect annual poll taxes in States where they are imposed.

(And the Federal Attorney General says he will extend his authority to all elections—Federal and State, general and primary, and local and district, including those for bond issues and the like.)

The State or locality has no rights to any sort of judicial appeal until it is actually incriminated by the Federal Attorney General's drumhead court. Then it may enter an appeal from the position of a culprit already convicted and sentenced.

The appeal in that position cannot be to test the validity of the Federal Attorney General's action. It is in the nature of an appeal for a pardon which is necessary before the State or locality can be released from the clutches of the Federal Attorney General and his Federal registrars.

But like the State or locality, the pardon appeal is virtually prejudged by the terms of the bill.

The appeal can be made only in a remote specially selected three-judge Federal court in Washington, D.C. (The Federal Attorney General says this is desirable for uniformity of decision.)

The State or locality is convicted by the Federal Attorney General of racial discrimination in voting practices, but much more than this is involved in getting a pardon from the Federal Attorney General's special court at the doorstep of the Federal Justice Department in Washington, which is headed by the Federal Attorney General.

This court is allowed to grant a pardon to a State or locality only when it is able to prove to the court's satisfaction that for 10 past years not only the State or locality, but also everybody in it, "acting under color" of its laws or ordinances, has been totally innocent, not only of racial discrimination in voting practices, but also totally innocent of all discrimination suggestive of voting discrimination.

(The Federal Attorney General says complying with the equal but separate education doctrine of the Federal Supreme Court which stood as the law of the land for a half century would be an example of a practice suggestive of voting discrimination.)

Until a State or locality convicted by the Federal Attorney General is given such a pardon, under such conditions, by such a court, it is not allowed to enforce any change in any of its election laws or ordinances without permission from a district Federal court in Washington.

The extremes to which the administration and its Attorney General have gone to exempt the majority of States and convict a minority are beyond the realm of reason.

They demonstrate the bias and prejudice under which the bill was conceived and with which it will be enforced. The bill itself is literally based on discrimination as between States.

There is nothing in the Virginia constitution or statutes which can be honestly interpreted as discriminatory with respect to voting rights or registration.

I doubt that the Federal Attorney General can find a State where it is simpler or easier for anyone to register than it is in Virginia, or where election practices are cleaner.

If in truth, or consequence, there is any evidence of discriminatory voting practice or procedure in Virginia I am unaware of it.

If there is any evidence of racial discrimination in the registration laws or voting practices in Virginia, the Federal Attorney General has not given it the usual Federal fanfare.

Even the Federal Civil Rights Commission—with all of its bias and prejudice and snooping—has found that in Virginia there appears to be no racial discrimination with respect to voter registration and that Negroes "appear to encounter no significant racially motivated impediments in voting."

Despite all the activity of his own agents combined with that of the Civil Rights Commission agents, the Federal Attorney General says there is no widespread voting discrimination in Virginia.

But the Federal Attorney General persists in misrepresenting Virginia as a State with discriminatory registration laws or engaging in discriminatory voting practices.

He admits that this bill which he has drafted for the administration is fixed so that he can incriminate Virginia.

He admits also that he has designed this administration bill so that he can exempt Texas from its application.

In advance he has said that he will incriminate Virginia and exempt Texas.

He says Virginia is caught in his numbers game because 41 percent (not 50 percent) of its voting-age people voted in the presidential election of November 1964.

But he says Texas, where 44 percent (not 50 percent) of its voting-age people voted in the presidential election of November 1964, is not to be subjected to the application of his numbers racket.

When the Federal Attorney General was asked why Texas was to be exempt, he said: "Texas is out for the reason that it does not have a literacy test. The literacy tests are the devices that have been primarily used in order to prevent Negroes from registering."

For those who may be misled by the Federal Attorney General into believing that Virginia has a literacy test, I shall compare the so-called voting tests and other requirements for voting in Virginia and Texas.

Both States voted less than 50 percent in the presidential election of November 1964.

Both States have a relatively high percentage of nonwhite population.

Both States in November 1964 required the payment of poll taxes as a prerequisite for voting in all but Federal elections.

The voting lists for the 1964 presidential election in Texas were composed of the names of persons certified by the poll tax collectors as having either paid their $1.75 poll tax, or as having formally applied for and received a certificate of exemption from payment for voting in the Federal election.

Like Texas, Virginia voters were exempt from payment of their $1.50 poll tax as a requirement for voting in the 1964 Federal election. The voting lists in Virginia were composed of the names of persons who had been registered under the Virginia voting registration laws.

In Texas, the so-called test is applied to prospective voters by the tax collector when they undertake to pay their poll tax; or when they formally apply for a certificate of exemption.

In Virginia the prospective voter is billed for his poll tax along with other taxes. He is asked simple questions of identification when he registers to vote at the office of a registrar.

In Texas the prospective voter must be able to understand the questions asked by the tax collector, and give the answers. In certain cases a husband can apply in behalf of his wife, and a wife can apply in behalf of her husband.

In Texas, article 5.14 of the election code requires the following questions to be answered:

Name?
Age?
Sex?
Race? (This is presumed to have been outlawed by a recent Federal court decision.)
Occupation?
Length of residence in the State of Texas?
U.S. citizenship?
Native-born or naturalized citizen?
State or country of birth?
Length of residence in county?
Texas post office address (if residence is in an incorporated city or town give the ward, street, and number of residence in lieu of post office address, and length of residence in such city or town)?
Political party affiliation?

In Virginia, title 24, section 68, of the code requires the following questions to be answered in writing by the person registering, without assistance:

Name?
Age?
Date and place of birth?
Residence?
Occupation?
Have you ever voted before?
State, county, and precinct where you last voted?

(Members of armed services are required to give their service, serial number and discharge date where pertinent.)

(Naturalized citizens are required to give date, court and State where they received their naturalization papers, along with their petition and certificate numbers.)

All persons registering are required to sign the following oath:

"I ———— do solemnly swear (or affirm) that I am entitled to register under the constitution and laws of this State, and that I am not disqualified from exercising the right of suffrage by the constitution of Virginia."

But the Federal Attorney General, while admitting that both States are ensnared in his voting numbers trap, reveals that he has written this bill for the administration so that he can exempt Texas by simply asserting that Texas has no literacy test. But he can incriminate Virginia by inferring that Virginia has some kind of a voting test that will not get his approval.

The fact is that in State and local elections on questions of bond issues, debt, and other matters of public finance, Texas voters must own taxable property.

There is no such requirement in Virginia.

For State and local elections Texas requires payment of poll taxes for 1 year; Virginia requires their payment for 3 years, but the 3-year requirement does not apply to new voters coming of age or moving into the State.

What does the Federal Attorney General do about poll taxes? He exempts Texas from application of his bill. But his bill provides that his Federal registrars sent to poll tax States will collect the taxes for 1 year—as in Texas—from persons they qualify to vote.

Beyond this, he has testified that neither he nor his Federal registrars will recognize the 3-year poll tax requirement—as in Virginia.

But while the Federal Attorney General refuses to recognize the requirement to pay poll taxes for 3 years as a requirement to vote, he provides in his bill that he and his Federal registrars can disenfranchise persons they have qualified to vote contrary to State laws if they do not vote "at least once during 3 consecutive years while listed."

The people of Virginia, and the Nation, are justified in the condemnation of legislation such as the Federal administration and its Attorney General propose in the so-called Voting Rights Act of 1965.

They would pin a rose on Texas, but incriminate Virginia.

And when they incriminate Virginia, they deny it the judicial process accorded a murderer.

They would convict Virginia of voting discrimination, but deny it a pardon until it has proved its innocence of something else for 10 years.

They admit there is already ample law under which allegations of discrimination can be tested in the judicial process, but they want this special law to bypass judicial process for the punishment of the States of their choice.

For purposes of this law, the Federal administration and its Attorney General condone an eighth grade education voting test in New York, but they want the power to qualify a moron to vote in Alabama.

They decry discrimination devices, but they have proposed a law which, in itself, is a discrimination device.

The Federal Attorney General has no patience with the judicial process for the victims of this bill. He wants the power to deal with them himself.

The Federal administration and its Attorney General propose to incriminate certain States by means of dictator-type decree and a statistical formula.

They demand for themselves the right, under certain conditions which they name, to disenfranchise people they themselves qualified to vote.

The Federal administration and its Attorney General propose by a single Federal statute to take away the constitutional rights of States and substitute Federal Executive decree.

If this can be done for this administration, for the purposes of this bill, to punish the States it has chosen, it can be done at other times for other purposes to detroy the constitutional rights of others, the Constitution not withstanding.

It is significant that this bill would extend Federal control over all elections—Federal, State, local, and party primaries.

Federal agents are not to confine their control only to elections for political office. They extend it to State and local elections with respect to public finance—bond issues, credit, expenditures, etc.

Simply by changing the statistical formula the Federal administration and its Attorney General can be empowered to extend their control over any and all States they wish to give this treatment.

What would remain of our form and system of government if all elections in all States and localities were controlled by the Central Government?

Only last month 99.9 percent of the people in Moscow voted in an election of candidates who had no opposition. And when Mr. Khrushchev voted, he was not required even to produce identification.

VOTING TESTS AND THE VOTING RIGHTS BILL—CLARIFICATION OF THE PICTURE

Mr. ERVIN. Mr. President, in recent weeks there has been an abundance of speculation about voting tests in the Nation and the degree to which they prohibit qualified individuals from voting. Incongruities in the Voting Rights Act of 1965 have also been cited.

I ask unanimous consent that certain articles and editorials indicative of this situation be printed at this point in the RECORD. They include those entitled "Vote Test Here Simple, and Same for Everyone," from the Fayetteville Observer of March 23, 1965; "Question Lingers on Voting Bill," from the Washington Star of March 24, 1965; "Incongruities in the Drama," from the Wall Street Journal of March 25, 1965; and "Special Laws and Blanket Indictments," from the Greensboro Daily News of March 23, 1965.

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

[From the Fayetteville (N.C.) Observer, Mar. 23, 1965]

VOTE TEST HERE SIMPLE, AND SAME FOR EVERYONE

(By Bill Wright)

No, Mr. Katzenbach, there was no snowstorm.

There might be one, though, in July, before enough Cumberland County folks vote so as to exempt the county from provisions of the proposed voting rights law.

Fact is, far less than one-third, much less one-half, the qualified voters within the bounds of Cumberland County voted in last November's general election.

The reason is another matter.

A close look strongly indicates that Attorney General Katzenbach did Cumberland County an injustice when he "indiscriminately" lumped 34 eastern North Carolina counties with Mississippi in a statement on registration procedures, and said "snow did not keep them away from the polls."

The implication was there that is racial discrimination.

The study shows there is none.

Unless the discrimination is much subtler than a cynical reporter can detect, none exists in the Cumberland County elections office against Negroes registering to vote.

From what can be learned, registrars go further than they might to help a Negro get registered, becoming at times almost paternal.

The figures support the conclusion.

And so do Negroes themselves.

REGISTRATION REQUIREMENTS

A Negro, when he goes to register, must prove only that he can read and write, as must everyone.

It is widely known that the test for proving that can be so manipulated as to bar almost anyone from registering. That is the problem in Alabama and Mississippi. There, the charge is, Negroes are given a much harder reading and writing test than whites.

Negroes and whites in Cumberland County have to do only two things, and all have to do it, regardless of race. They are required to read aloud the elections oath, and sign their names.

Whoever can do that can register and vote.

Further proof of the county's position on registration is the fact that Fayetteville's only precinct which is made up predominantly of Negro voters has a prominent Negro man as registrar.

He has the full backing of Elections Board Chairman G. E. Edgerton to register whomever he finds to have met qualifications.

He is Dr. Henry M. Eldridge, professor at Fayetteville State College, prominent member of the community and registrar in the 13th precinct.

Asked if he knew of any racial discrimination, direct or implied, in Cumberland's registration policies, Eldridge said he did not.

"I have found that anyone who wanted to register had an opportunity to do so," he told the Observer.

He confirmed the fact that the same simple test for registration is given Negroes and whites.

The length to which registrars sometimes go to help a Negro get on the registration rolls was shown recently when a man came to the elections office and asked to be registered.

The registrar filled out his form, and asked that he read the oath.

She learned by questioning him that he was going to night school. But his reading was quite elementary.

The registrar coaxed, helping him get through the oath. Finally, it appeared he could not do it.

She offered to give him another chance when his reading proficiency improved through his night study.

Another man came recently to Eldridge. He could read, but could not see well enough to read the oath. Eldridge went to great lengths, even trying to obtain the oath in braille, to determine that he could read. He was eventually registered.

REGISTRATION BREAKDOWN

Cumberland County at the moment has 31,176 voters registered. Of the total, 24,595 are white, 6,581 Negro.

Chairman Edgerton said that, although he did not have exact figures, within the past year his office registered a larger percentage of Negroes than whites. (Percentage based on the number registered to population.)

A year ago, the total registrations were 31,638. That total was cut by a recent purge of the books, cutting the total back to its present level.

The purge cut white registrants from 25,798 then to 24,595 now. Despite the purge, the Negro registration total has increased—from 5,840 a year ago to 6,581.

The fact remains that Cumberland is among 34 North Carolina counties that would qualify for Federal registrars under the voting rights bill. The bill would allow Federal registrars to go into a county in which less than 50 percent of the population over 21 years of age in the 1960 census voted in the last general election.

About 23,000 persons voted in Cumberland County in last November's election. There are about 86,000 people in the county over 21. That means less than one-third of the eligible people voted.

FORT BRAGG PERSONNEL

Why is this true?

The biggest reason, most observers believe, is the presence of Fort Bragg. Thousands of military personnel choose not to declare North Carolina their home State, and therefore vote elsewhere by absentee.

That creates a big population total and depresses the percentage of people voting. It creates the illusion of discrimination, or some other artificial voting controls.

Discrimination, of course, is the assumption in the voting rights bill in picking counties with less than 50 percent voting.

The Government might send Federal registrars here, but chances are they will be an inactive group.

[From the Washington Star, Mar. 24, 1965]

QUESTION LINGERS ON VOTING BILL

(By Richard Wilson)

The question that the advocates of the new voting rights bill have as yet failed to answer adequately is this: Why should literacy test as a qualification for voting be perfectly all right in 45 of the 50 States but invalid in the other 5?

If a voter in Alabama who cannot read or write is qualified to vote in a Federal or any other election, why should not an illiterate New Yorker have the same right? The right to vote certainly has no connection with the number of people who vote, and it is manifestly unjust to bar an illiterate from voting in a State where less than 50 percent of the qualified voters cast their ballot, but to permit him to vote in a State where more than 50 percent of the voters go to the polls.

This, nevertheless, would be the effect, in 606 counties in 10 States, of the passage of the voter rights bill sent to Congress by President Johnson.

The only justification offered for this anomaly is that it is the only way to force election officials in those 10 States to register Negroes to vote. Otherwise, they will enforce prohibitive regulations that prevent Negroes from voting, but not enforce the same regulations on whites who could not meet the qualifications.

This is another example of the devious legislative tactics in the Johnson administration to achieve results by legal circumlocution. Another outstanding example is the aid to education bill that attempts to get around the church-state issue.

From the President's recent statements it can be concluded that what he really desires is the removal of virtually all restrictions on voting for persons 18 years old, and over, if they are sane, and in spite of the fact that the Supreme Court would have to reverse itself in finding that the imposition of reasonable qualifications is valid.

It must be admitted that literacy tests as a qualification for voting are honored in the breach in the North. Thirty States have no such requirements. States that do have literacy requirements often do not enforce them, or the enforcement is so cursory as to be meaningless.

New York requires proof of an eighth-grade education or demonstration of the ability to read as a requirement for voters. This excludes a great many people, including recently arrived Puerto Ricans, from voting and is being challenged in the courts. Previous Federal legislation proposals would have required a sixth-grade education as proof of literacy.

Residency requirements are universal. In short, people are not born in this country with an inherent right to vote at any time or any place. This is a right for which they must qualify by tests that vary from State to State, and which was affirmed by a 1959 Supreme Court decision. The layman would think that the Constitution is quite clear on this point in its 1st article and in the 17th amendment, to say nothing of the 1959 decision of the Supreme Court.

Furthermore, the Johnson voting rights bill recognizes this principle by providing that a voter shall be stricken from the rolls if he fails to vote at least once in 3 consecutive years. Thus the Federal law would impose restrictions Congress regards as reasonable while outlawing other restrictions imposed by the States.

Why is not the issue confronted squarely? Why is Congress not asked to abolish literacy requirements in all States altogether?

The answer to that is clear. It is because literacy requirements have validity both in reason and in law. It makes sense that a voter should have at least an elementary ability to read and write the language of the country in which he resides. It makes sense that States should have the power to set reasonable minimum standards for voters, and the proposed law recognizes that by itself setting some standards. It hardly needs to be argued, also, that a Federal law should apply equally to the citizens of all States.

The strange, awkward, and unequal nature of this new legislation shows how wrong it is to try to legislate on such complicated matters in an atmosphere of violence—provoking public demonstrations.

The Johnson administration was rushed into the presentation of a law that has so many obvious flaws that it can immediately be challenged in the courts. Elaborate and tricky formulas provide no answer for a more basic question: Why in a nation with compulsory, universal public education are so many people, Negro and white, illiterate? And why should there be a premium on illiteracy in some States and not in others?

[From the Wall Street Journal, Mar. 25, 1965]

INCONGRUITIES IN THE DRAMA

The civil rights struggle, focusing this week on the march to Montgomery, is customarily described in terms of high drama, and certainly there has been no lack of violent incidents. Yet great drama, whether in real life or reflected on the stage, must have the ring of truth, and it seems to us that too often, on all sides, this one does not have that ring.

To say that is not to disparage the justice of the voter registration drive, condone the extreme southern segregationists or question the depth of concern in the White House. On the contrary, the sympathy of the majority of Americans is for the Negro cause, especially in so fundamental a field as voting, and not for a bullying sheriff or a recalcitrant Governor.

It is, rather, to say that all the protagonists are pursuing particular, highly political, interests which do not always add up to the Nation's best interest but which do produce incongruities and rob the drama of some of its reality.

Consider the frequently made comparison between the American demonstrations and the Indian resistance movement of Mahatma Gandhi. It is a little incongruous, to begin with, to equate the well equipped Mont-

gomery marchers, moving under the full panoply of U.S. Government military protection, with the Indian leader's wretched hordes.

Therein lies the major weakness of the analogy: Gandhi was protesting the foreign rule of his entire nation, not some local abuse. In the United States today the whole Federal Establishment, as well as most public opinion, is arrayed on the side of the Negro. We may be thankful it is so, but the present point is that against that awesome power the intransigent local politician can prevail only for a time. Ultimately the contest is unequal.

Such confrontations intensify the politics and the bitterness. Not only is it right that the Negro should have access to the polls equally with other citizens in his State; the extent of his success in reinforcing the right can also powerfully affect local politics. On a national scale, long before the present efforts, the Negro vote was showing its considerable influence in elections.

While there can be no quarrel with this development as such, it helps explain the bitter-end opposition of some of the southern politicians in municipal, county, or State office. In the Deep South especially they can play on, as well as mirror, white fears that some local political structures may eventually be taken over by Negroes through sheer force of numbers. It is remarkable that in all the long period of strife few outside the South appear to have recognized that this potential revolution actually is a problem requiring consideration and accommodation.

At the same time the high political content of the issue is causing the national administration, for its part, to stray from the paths of reality and constitutionality. The Government's attempts to redress wrongs also have obvious political advantages. It can hope to cement, for the time being anyway, the Negro vote without alienating the majority of the electorate. Last November demonstrated how feebly resentment, either South or North, could affect the outcome.

So it is that less than a year after passage of the Civil Rights Act, a couple of whose sections are open to constitutional question, we have a proposed voting law which is inherently inconsistent and seems flatly to contravene the Constitution. It is expected in Washington that the momentum of the administration's efforts to reassure the civil rights leaders will accelerate.

Beyond any proposed legislation, reality also tends to be submerged in some general attitudes. If the diehard segregationists err in supposing they can reverse the movement, so do the civil rights leaders and supporters err in thinking that endless disruption of the civil order spells the automatic fulfillment of their aspirations; it may delay them through exasperating the patience of the public.

Specific goals may indeed be won; more important is what is done with equal treatment or full citizenship. Too little attention has been paid to the Negro's own responsibility in the development of the society. The reality is that the society, with the best will in the world, cannot do everything for him or any other citizen.

That the various political interests play a large part in the issue is inevitable, since practically all national decisions are reached through the interaction of political interests. But those who lead groups or nations must, like other mortals, find time for cooling off and reflection lest they propel the drama to lengths that are not only incongruous but injurious.

[From the Greensboro (N.C.) Daily News, Mar. 23, 1965]

SPECIAL LAWS AND BLANKET INDICTMENTS

In the present tense situation in Alabama Federal officials—and indeed everyone connected with the civil rights controversy—should check carefully on facts and figures before sounding off in public.

Attorney General Nicholas Katzenbach failed to do this in remarks made before a House committee last Friday. The substance of his testimony was sound—much of the civil rights story in the South had been one of "intimidation, discouragement, and delay" in the struggle to win full citizenship rights for Negroes.

But the Attorney General barked up the wrong tree when he dragged 34 eastern North Carolina counties into the picture and linked them with Alabama. The reference was to the projected abolition of literacy tests in counties where less than 50 percent of eligible citizens turned out to vote—and they included Aroostook County in Maine as well as most of the 4 Southern States, parts of Alaska, and Arizona, and 34 counties in North Carolina.

"They may have had a snowstorm in Aroostook County," the Attorney General told the committee, "but they didn't have a snowstorm in 34 counties of North Carolina, and they didn't have a snowstorm in Mississippi."

No, there was no snowstorm down here last November. But as far as North Carolina is concerned neither was there specific "intimidation, discouragement, or delay" in registration or voting for Negro citizens. The only protests about registration delays in North Carolina in recent years have been confined to one county, Halifax—and that situation has now been cleared.

Let it be understood by Mr. Katzenbach and others, including President Johnson and Rev. Martin Luther King, that North Carolina cannot be tarred with the brush of Alabama or Mississippi. Negro citizens have had the right to register to vote here just as other citizens have. They have been subjected to the same kind of literacy tests which apply for all other would-be voters—except in several very rare situations in Halifax County.

To equate conditions in North Carolina with those in Dallas County simply because less than 50 percent of the eligible voters went to the polls last November is presumptuous and inaccurate. It indicts the thinking behind the President's new Federal voting legislation.

There are far, far more reasons than racial discrimination behind some of the voting apathy in North Carolina, Mississippi, or New York. As we noted the other day, the Guilford County Elections Board has tried to cooperate in getting more registrants on the books; a study of its recent efforts reveals that even voters signed up by an intensive campaign have stayed away from the general election in droves.

It is grossly unfair to infer that simply because 50 percent of the eligible voters failed to go to the polls, racial discrimination is the reason.

The more we study the President's Federal voting legislation, the more we are convinced that the 50-percent figure is ill advised. Indeed, the whole idea of setting up special laws to cover certain statistical situations may not work fairly. The Federal Government's duty is to see that all citizens are allowed to register and vote if they desire to do so. It is not to create special rules for some citizens which do not apply to all citizens. And that quite clearly would be done if literacy tests and other voter qualifications are abolished in certain areas but allowed to flourish in others.

Basic constitutional principles are involved on both sides of this controversy over suffrage rights. One principle ought not to receive higher priority than another, closer home, and the Attorney General should watch the blanket indictments based on fuzzy statistics.

USE IN VIETNAM OF U.S. AIR POWER

Mr. McGEE. Mr. President, The Reporter magazine, in its issue dated March 25, presents us with a lucid report, from Saigon, by Denis Warner.

The article recounts the military situation which has led to the utilization of American air power against North Vietnam and in support of government troops in South Vietnam. It makes the point that Ho Chi Minh and his followers remain unwilling to negotiate the Vietnamese situation on any terms less than a U.S. capitulation, and remain convinced that they can win that nasty war. But consistent, effective use of American air power can be used, Mr. Warner points out, to disabuse the Hanoi regime and its allies in Peiping of this notion.

I ask unanimous consent that the Reporter article on Vietnam be printed in the RECORD.

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

[From the Reporter, Mar. 25, 1965]

VIETNAM

(By Denis Warner)

SAIGON.—By the beginning of February the restricted war in South Vietnam, with its inhibitions on the use of American power and its privileged sanctuaries for the Communist Vietcong, was all but lost. Lost not merely in the sense that a weak government in Saigon would one day want to negotiate a fictitious neutrality, but in the total sense of the word. Instead of the diplomatic niceties and face-saving protocol of the conference table conjured up by some Congressmen and editorial writers on the basis of unrealistic and ill-informed accounts of the situation, what lay ahead for South Vietnam—and the United States—was bitter and disastrous defeat.

"The National Liberation Front counts on clear-cut victory over whatever United States-Saigon régime is in power at the time," wrote the Australian Communist journalist Wilfred Burchett from the National Liberation Front's headquarters in the jungle north and west of Saigon. "Pax Americana is unacceptable to the Vietcong."

Hanoi confirmed this hard line. In conversations with International Control Commission officials, the North Vietnamese leaders expressed no interest in the resumption of the Geneva Conference, or in any negotiations that did not include the prior exclusion of all American military advisers and equipment from South Vietnam.

Opinions differed in Saigon on how long final disaster might be averted. Some qualified observers spoke of a couple of months. The resilience of the Vietnamese people and the country's capacity to muddle along without effective government, or any government at all, convinced the more optimistic that things might just go on getting worse for a much longer time. But few, if any, doubted the inevitability of defeat if the war continued to be fought by Vietcong ground rules. Not all of the troubles were due to the Vietcong, of course. The generals had abandoned the battlefield for politics. In the interplay between military and government, the South Vietnamese administration, never very strong, simply withered away.

On the military front, there were, as always, some gains with the losses. In the southern regions of the populous Mekong Delta, along the region most heavily infested by the Vietcong, the government reported successes. Villages once securely in Vietcong

control had passed more or less into government hands. But even here there was scarcely reason for jubilation. Of the 6 million inhabitants of the 15 provinces in the southern corner of Vietnam, not more than a million could be regarded as on our side, and only 1,700 of the 4,000 hamlets were anything like secure. Meanwhile in central Vietnam, which had been drained of its government forces to reinforce the delta, the deterioration had been shattering.

In February 1964 the hard core of the Vietcong forces numbered, by official American estimate, about 22,000 men. Despite heavy combat losses, by the beginning of February of this year their regular forces had grown to an estimated 35,000. These men are organized under 5 regimental headquarters (3 others are in the process of formation), and are deployed in some 50 battalions, 139 independent companies, and 29 independent platoons.

With the active military assistance of perhaps a hundred thousand part-time guerrillas and regional forces and the cooperation of some half a million members or supporters of the National Liberation Front, the Vietcong now had a substantially larger mobile attacking force than the 600,000 military and paramilitary troops of the Government. With their responsibility for keeping roads, railways, rivers, and canals open, and for insuring that crops reached the markets, by far the larger portion of the Government's forces were tied down.

Tactically, helicopters had added a new element of mobility and surprise to the Government's family of weapons. With this new strength, however, there were also weaknesses. While the helicopters often contributed to the success of Government sorties against the Vietcong, they also tended to give them the character of hunting parties, thus helping the Communists to identify themselves more closely with the peasants. The lesson has been slowly and painfully learned that there is no substitute for effective administration on the ground.

THE MEANING OF PLEIKU

By December some inkling of the grave new turn in the war had become apparent when substantial Vietcong forces grouped to seize An Lao in central Vietnam. In itself, the fall of An Lao was of little consequence. What did matter, however, was the capability implicit in the Vietcong action. Under the patient leadership of Maj. Gen. Nguyen Don, who established his headquarters in the mountains of Kontum Province 5 years ago, the Vietcong had accumulated sufficient forces to attempt what the American Military Assistance Command had once believed impossible: to cut South Vietnam in two.

The attacks against the American installations at Pleiku and Qui Nhon, which led to the retaliatory raids north of the 17th parallel, were part of this plan. For weeks the Vietcong rehearsed the Pleiku attack. Few armies have ever given such attention to the planning of the most minute detail of comparatively small actions. From sand tables the Vietcong moved to full-scale mockups, leaving little to chance or luck—although by miscalculation or inexperience, many of their rounds of mortar fire at Pleiku fell short. But for this, the U.S. casualties would have been much heavier.

The real significance of the Pleiku and Qui Nhon actions was less the calculated selection of American targets than the fait accompli of partition. As Government forces quickly discovered, the Vietcong had seized control of the Qui Nhon-Pleiku road, the strategic highway supplying the Second Corps headquarters and all of the northern part of the high plateau. Under the rules by which the war had been fought, Pleiku, Kontum, Dak To, and other Government positions in this part of the high plateau were now untenable. It was a defeat as potentially disastrous for Saigon as the loss of the Thai country of Tonkin had been for the French 11 years before. The war, it was clear, was entering its final phase.

The days when the Vietcong depended on slingshots, homemade rifles, and even captured American equipment had long since passed. Hard-core units were receiving their own new Communist-bloc equipment. And tucked away in the middle of a long war communique was the news that the Vietcong had used artillery for the first time.

It was this change, and not just the question of retaliation against North Vietnam, that was the real challenge President Johnson faced on February 7. If ever there was to be a last chance to amend the rules of the war so as to fight back to a position where peace might one day be won at the conference table, this was it.

Ambassador Maxwell D. Taylor brought with him to Vietnam the realization inspired by the Cuban missile crisis of 1962 that if only the United States could convince Hanoi and Peiping that it was in deadly earnest, that southeast Asia was really worth the risk of a major war, then a way could be found to terminate North Vietnamese aid and to bring the Vietcong insurgency to an end. For the plan to work, there could not be an ounce of bluff.

Until February, however, the one deadly aspect of the whole scheme was Washington's indecision. The Tonkin Gulf affair last summer appears in retrospect as anything but a bold warning of the shape of things to come. Instead of drawing in its horns, Hanoi responded with a vastly increased volume of materiel and other aid to the Vietcong. Yet attempts by planes of the 7th Fleet to close off the Ho Chi Minh Trail in the general region of Tchepone in Laos were low-key, irresolute, and unsuccessful. To the Vietcong, they were more of an irritant, and perhaps even a stimulant, than a hazard. As Hanoi and Peiping evaluated the situation, the United States had bluffed in the Gulf of Tonkin, and its bluff had been effectively called. Nor were the Communists alone in this estimate. In other parts of southeast Asia, friends, foes, and neutrals alike wondered whether Washington really meant business.

Here in Saigon, Washington's resolution is no longer seriously questioned. Whatever doubts remained were quickly taken care of by the introduction of American jet fighters in direct support of Vietnamese ground forces. The sensation of each new development now is truly that of being carried upwards on a rapidly moving escalator.

The message does not yet appear to have reached North Vietnam, however. As one senior U.S. official commented: "The great debate in the United States about whether we should cut and run, and the generals' three-ring political circus in Saigon, haven't helped to get the message across. Hanoi still thinks it's got it made down here." This opinion is confirmed by International Control Commission reports from Hanoi. The Commission's observers have found nothing to indicate a willingness on the part of Ho Chi Minh and his followers to negotiate on terms that would require anything less than a U.S. capitulation.

UPPING THE ANTE

American officials advance three reasons for the bombing attacks on the North: to persuade Hanoi to stop interfering in the South; to inspire some feeling among the South Vietnamese that there is real hope of winning the war; and, though graded a long way below the other reasons, to interrupt the southward flow of men and materials.

If the impact is not ultimately to be negative, bombing above the 17th parallel, and also direct American jet support in the South, must be continuous and effective. As part of a cautious phased program designed to test world reaction rather than to hurt North Vietnam, the first attacks against Dong Hoi and Vinh Linh no doubt served their purpose: but the destruction of 30 barracks and the sprinkling of some fields with a particularly nasty antipersonnel bomb known as the Lazy Dog, which showers razor-sharp pieces of steel in its target area, were not enough to promote radical changes in Hanoi. Elsewhere, the raids provoked predictable expressions of hostility and some reassuring support, not all of it expected. But they lacked the conviction of deadly earnestness that the United States must communicate if the new exercise is not to prove a failure.

North Vietnam has reconstructed its railway lines to China, and built its steel center at Thai Nguyen, and cement mill at Haiphong, only by great economic sacrifices at a time when it has the lowest living standards in southeast Asia. It must be made to understand that the price for continuing the war in the South will be the destruction not merely of barracks and bridges but what it has labored to achieve industrially.

In terms of the Peiping-Hanoi concept of wars of national liberation and their impact on the United States, the stakes are so high that Ho Chi Minh may elect to suffer even this sort of disaster while he still has hopes of victory in South Vietnam. Those who know him best believe that he will want to avoid at all costs a situation in which Chinese Communist forces (as distinct from specialists) may come to his aid. But the doubt persists, and will continue to persist, unless and until it can also be shown that direct American air support in South Vietnam and any other measures the United States may decide on are successful. Failure will breed failure, and this is true on all the complex political, diplomatic, and military fronts that are involved in this crisis.

For this reason, the battle slowly unfolding in central Vietnam for the Qui Nhon-Pleiku road is without doubt the most important of the war. This is the proving ground for American air support of South Vietnamese forces pitted against a mobile Vietcong force that not only controls the jungle, and therefore has the initiative, but may well also prove to be numerically superior. Early combined actions along the highway, the scene of the bloodiest Vietminh ambush of the entire Indochina war, proved highly successful, as jet fighters drove off entrenched ambush forces. A government prisoner who escaped from the Vietcong during the bombing reported that he saw a hundred dead being carted off. It would be excessively optimistic, however, to expect this sort of casualty rate to continue. Targets will be more difficult to locate as the Vietcong becomes aware of the even greater need for camouflage and concealment, and experienced air officers are reluctant to predict the outcome.

What is at stake here is not merely a highway, or the security of the Second Corps Headquarters at Pleiku, or even the control of the High Plateau, damaging though its loss would be: what is of absolutely critical importance is that the Vietcong be denied the opportunity to move into the Maoist phase of mobile warfare. If by the use of American air power they can be forced back to a lower level of guerrilla activity—which, though dangerous enough, lacks the means of delivering the massive blows on which their hopes for a purely military victory depend—then Hanoi may realize the futility of continuing an interminable war in which the rewards for continued struggle are the ashes of its own destruction.

MORE OF LIPPMANN ON VIETNAM

Mr. CHURCH. Mr. President, in a foreign-policy debate which has been characterized by rigidity, the voice of

Walter Lippmann has added a much-needed creativity. In two recent articles, Mr. Lippmann has exposed some of the fallacies which seem to underline much of the current thinking on the subject of Vietnam.

In his article which appeared in the April 1 issue of the Washington Post, Mr. Lippmann agrees with the tenets of Senator COOPER's closely reasoned March 25 speech on Vietnam. Both Senator COOPER and Mr. Lippmann warn of the danger of prescribing conditions to negotiations which are clearly unacceptable. I ask unanimous consent that two of Mr. Lippmann's recent articles—entitled "On the Way to the Brink" and "The Basis of Negotiation"—be printed at this point in the RECORD.

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

TODAY AND TOMORROW—ON THE WAY TO THE BRINK

(By Walter Lippmann)

The war in Vietnam has reached the point where the President is wrestling with momentous and fateful decisions. For what has happened is that the official theory of the war, as propounded by Gen. Maxwell Taylor to President Kennedy and by Secretary McNamara to President Johnson, has proved to be unworkable. The government in Saigon has not been able to pacify South Vietnam even with the help of American munitions, money, and 25,000 military advisers. The crucial fact today is that for all practical purposes the Saigon government has lost control of the countryside, and its followers are increasingly holed up in the cities.

The roads and the railroads connecting the cities have been cut by the Vietcong. The cities now have to be supplied in great measure by air and by sea. This condition of affairs has been well reported by Mr. Richard Dudman in a series of reports to the St. Louis Post-Dispatch, and his findings are confirmed in all essentials, though not yet publicly, in the well-informed quarters in Washington.

The surest evidence that Mr. Dudman's reports are substantially correct is that in the Pentagon and the State Department there is mounting pressure for the commitment to southeast Asia of American infantry. The current estimate is that the President should be prepared to send 350,000 American soldiers, even though this would compel him to order a mobilization of reservists and draftees.

This call for American ground forces is the logical and inevitable consequence of the virtual collapse of the Saigon government in the villages. Having lost the countryside Saigon has lost the sources of military manpower. This deprives it of the means for winning the war. The official estimates today are that the Saigon government commands forces superior to the Vietcong by a ratio of not quite 5 to 1. Experience shows that no guerrilla war has ever been subdued with such a low ratio of superiority. It is estimated that in Malaya, the British and the Malayans, who were fighting the indigenous Chinese guerrillas reached a superiority of 50 to 1. In Cyprus, which they gave up, the British had overwhelming force. In Algeria, though the French Army had unmistakable superiority, the country became untenable. It is the deficiency in South Vietnamese military manpower which explains why the pressure is now on to put in Americans to fill it.

After 2 months of bombing North Vietnam, it has become manifest also that the bombing has not changed the course of the war. As a result of this disappointment, the President is now under pressure to extend the bombing to the populated centers around Hanoi and Haiphong.

There is no doubt that American airpower can devastate North Vietnam and, if China intervened, could do great damage in China. But if we had an American army of 350,000 men in South Vietnam, and extended the war in the air, we would have on our hands an interminable war without the prospect of a solution. To talk about freedom and national independence amidst such violence and chaos would be to talk nonsense

In order to rationalize, that is to sell, the wider war, we are being told by Secretary McNamara and others that this war is a decisive test for the future. It will decide the future of "wars of liberation." This is a profoundly and dangerously false notion, and it shows a lamentable lack of knowledge and understanding of the revolutionary upheavels of the epoch in which we live. It assumes that revolutionary uprisings against established authority are manufactured in Peiping or in Moscow, and that they would not happen if they were not instigated, supported, and directed from one of the capitals of communism. If this were true, the revolutionary movements could be suppressed once and for all by knocking out Peiping or Moscow. They little know the hydra who think that the hydra has only one head and that it can be cut off.

Experience shows that there is no single central source of the revolutionary upheavels of our epoch. What is there that is common to the Irish rebellion, to the Jewish uprising in Palestine, to the civil war in Cuba, to the Arab rebellion in Algeria, to the Huk revolt in the Philippines? What is common to them all is violent discontent with the established order and a willingness of a minority of the discontented to die in the attempt to overthrow it.

What has confused many well-meaning Americans is that in some of these rebellions, though not by any means in all of them, Communists have become the leaders of the rebellion. But that does not mean that they owned the rebellion. The resistance to the Nazis in France and Italy contained a high proportion of Communists among the active partisans. But 20 years later it is General de Gaulle who presides over France.

It would be well to abandon the half-baked notion that the war in southeast Asia will be decisive for the future of revolutionary upheavels in the world. Revolution is a home-grown product, and it could not be stamped out decisively once and for all—supposing we had such delusions of grandeur—by stamping out Red China. In southeast Asia we have entangled ourselves in one of the many upheavels against the old regime, and we shall not make things any better by thrashing around with ascending violence.

TODAY AND TOMORROW—THE BASIS OF NEGOTIATION

(By Walter Lippmann)

The cardinal defect of the administration's conduct of the war in Indochina has been pointed out by a Republican Senator, JOHN SHERMAN COOPER, of Kentucky. In a statement last week (March 25), Senator COOPER said that the U.S. Government, like its adversaries in Peiping and Hanoi, is "prescribing conditions as a prerequisite to negotiations which will not be accepted." The Communists are making it a condition of a negotiation that the United States must withdraw from Vietnam; we are making it a condition of a negotiation that North Vietnam must withdraw from South Vietnam. This is, said Senator COOPER, "a kind of demand from both sides for unconditional surrender."

It is, therefore, highly important that the administration put itself in a position where negotiation is possible, granting that even if it did so, Hanoi and Peiping may gamble on winning the war in order to overrun South Vietnam and inflict a smashing defeat on the United States. But regardless of what they do, we must come into court with clean hands. The administration needs to clarify its own position—in order to set in motion a movement for negotiation and, failing that, to put the onus of prolonging and widening the war unmistakably on our adversaries.

There is a mistaken impression in this country that we are ready and willing to negotiate but that the other side is imposing intolerable conditions; namely, that we should withdraw our forces before the negotiation begins. Senator COOPER rejects the Communist condition, as do all of us who have been actively interested in this question. We cannot withdraw our forces until there has been a political settlement in Indochina, a settlement which promises to last because it serves the primary interests of all concerned.

But what, as a matter of fact, is our position? It is that before negotiations can take place, the North must demonstrate its readiness "to leave its neighbors alone." Secretary Rusk has avoided a precise definition of that phrase. We know that "illegal infiltration of military personnel and arms" is considered to violate that condition. That "leaving your neighbors alone" means also withdrawal of infiltrators who are already there has at times been suggested but never formally stated.

Senator COOPER says of this position: "I think it unlikely that the Communists will agree to this condition for negotiations, as we will not agree to their condition that the United States withdraw."

What Senator COOPER is asking the administration to do is what was done in the Korean war: "No such conditions were imposed by either side prior to negotiations, but a cease-fire was sought." Until the administration comes around to this position, its diplomacy will be confused.

Last week (March 25) the President issued a statement that "we have said many times—to all who are interested in our principles for honorable negotiation—That we seek no more than a return to the essentials of the agreements of 1954—a reliable arrangement to guarantee the independence and security of all in southeast Asia."

This is rather puzzling. The agreements of 1954 were reached at Geneva in a conference in which there participated not only the Indochinese states but also Russia, Red China, Britain, France, and the United States. The agreements ended the fighting between the French Union forces and the Vietminh in Laos, Cambodia, and Vietnam. These states were to become independent countries, with Vietnam partitioned at the 17th parallel into two zones pending general free elections to be held by January 20, 1956.

The cease-fire agreement was signed by the military commanders. But in addition, the Geneva Conference issued a final declaration, dated July 21. This declaration contained the following principles of settlement. One of the principles was that the cease-fire prohibited the "introduction into Vietnam of foreign troops and military personnel as well as of all kinds of arms and munitions." The Geneva Declaration went on to say that "the military demarcation line is provisional and should not in any way be interpreted as constituting a political or territorial boundary." Furthermore, the declaration said that "general elections shall be held in July 1956 under the supervision of an international commission * * *."

The United States did not sign the final declaration. But the Under Secretary of State, Gen. Bedell Smith, made a unilateral declaration which said that the United

States supported the agreements and that "in connection with the statement in the declaration concerning free elections in Vietnam, my Government wishes to make clear its position which it has expressed in a declaration made in Washington on June 29, 1954, as follows: 'in the case of nations now divided against their will, we shall continue to seek to achieve unity through free elections supervised by the United Nations to insure that they are conducted fairly.' "

The United States encouraged the Diem government in Saigon to refuse to hold the elections of 1956, almost certainly for the quite practical reason that they would have been won by the Communists.

Considering the essentials of the 1954 agreements, it is not easy to understand what it means to say now that "we seek no more than a return to the essentials of the agreements of 1954." I am afraid it means that in the diplomatic conduct of the war in Vietnam, the diplomatists have not been doing their homework.

ON BREAKING THE DIPLOMATIC DEADLINE IN VIETNAM

Mr. CHURCH. Mr. President, on Sunday, March 28, the New York Times published an excellent editorial on the dilemma which confronts us in Vietnam. The editorial is entitled "Something More Than Bombs." As this editorial cogently emphasized:

Military pressure alone—which implies a demand for unconditional surrender—is unlikely to swing the balance in the Hanoi leadership toward a negotiated settlement. Positive American proposals, which suggest a viable future for North Vietnam are the essential complement.

In an article which was published in the New York Times on March 29, Robert Kleiman, a member of the editorial board of the Times, who has just returned from an extensive tour of the Far East, pointed out:

And it is even possible that persuasive proposals might find a response in the Communist world. Clearly, before any further stepup in the American air offensive in North Vietnam, the time has come to devise and set in motion a political strategy that, for the first time will take priority over military tactics.

I ask unanimous consent that these two excellent excerpts from the New York Times be printed at this point in the RECORD.

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

[From the New York Times, Mar. 28, 1965]

SOMETHING MORE THAN BOMBS

The limited American air war against North Vietnam is now entering its eighth week. It is not too soon to ask what it has accomplished—and why it has not accomplished more.

The aim of the continuing air offensive, accompained by threats of further escalation, was to persuade the North Vietnamese Communists to halt their armed infiltration into South Vietnam. When it was undertaken, one of President Johnson's highest advisers predicted that the Communists' will to fight would be weakened in two months. So far, there is no indication that he was right; on the contrary, there clearly has been a stiffening of Communist positions as Secretary Rusk has admitted.

The Soviet Union has announced that arms aid is on its way to North Vietnam. More important, a direct Soviet-American confrontation in southeast Asia through the use of Soviet "volunteers" in North Vietnam has been publicly threatened by the top Soviet leader, Communist Party First Secretary Brezhnev.

The Vietnamese and Chinese Communists have stiffened their positions even more. Hanoi, which a few weeks ago privately indicated agreement to French and United Nations proposals of negotiations—while refusing a cease-fire—now rejects such proposals. Backed by Moscow, the North Vietnamese insist that there can be no talks while American bombing continues. Peiping has taken the most extreme position of all. It insists there can be no negotiations before the "complete, unconditional" withdrawal of American troops from South Vietnam. The Vietcong, which shows some signs of independence from Hanoi, has enthusiastically adopted the Peiping line.

Meanwhile, the American bombing—not to mention use of nonlethal gas—has significantly alienated world opinion. Concern about the danger of a major war is widespread. Equally important, there is profound puzzlement about Washington's objectives and tactics.

The trouble is that President Johnson, a master of domestic politics, had until last week seemed to forget that war is politics too, even if pursued by "other means." He launched a military offensive, but neglected his diplomatic offensive.

Now the President has promised American aid for "wider and bolder programs" of regional economic development benefiting all of southeast Asia, including North Vietnam. Despite its vague terms, this promise indicates that Washington is beginning to face up to the need to offer its opponents in southeast Asia a diplomatic, political, and economic exit from the military cul-de-sac in which we as well as they are now entrapped.

Persuasive peace proposals can be a political weapon not only toward world opinion, at a time when Americans are bombing Asians, but in presenting moderate Communists with an alternative they can support within the Communist camp. That camp is divided, not only along national lines but within each national capital. And nowhere are the divisions more critical than in Hanoi.

Neither the Vietcong nor the Chinese Communists can be swayed by the bombing of North Vietnam, which causes them no direct pain. They are pressing to intensify the war. The Vietcong, particularly, has made major military gains in recent months and sees every successive Saigon coup as another nail in the coffin of its enemies. It will not be easy for Hanoi, in these circumstances, to shift course and seek a negotiated settlement, even with Soviet backing.

Military pressure alone—which implies a demand for unconditional surrender—is unlikely to swing the balance in the Hanoi leadership toward a negotiated settlement. Positive American proposals, which suggest a way out and a viable future for North Vietnam, are the essential complement.

President Johnson's statement last week could be the precursor of proposals offering Hanoi, once peace is restored, access to the rice of South Vietnam, trade with the West, an end of the embargo and diplomatic boycott that Washington and Saigon have imposed since 1954, and entry to international development assistance. Area-development schemes covering the entire Mekong Valley could be pushed. These, linked with concrete proposals for negotiations and firm offers of a phrased American withdrawal from South Vietnam in accordance with the Geneva agreements, could not fail to influence events.

An immediate Communist response might not be forthcoming. But the words would be heard both within the Communist regimes and outside. World opinion would be rallied. That support will be needed, especially if the war in Vietnam is about to enter a new and more virulent phase.

[From the New York Times, Mar. 29, 1965]

VIETNAM: THE INEXPLICABLE STRATEGY

(By Robert Kleiman)

PARIS.—Washington's policy of bombing North Vietnam while avoiding negotiations is sowing confusion among America's friends. To cross east Asia, India and the Soviet Union to this NATO capital in Europe is to hear repeated questioning of the purposes and tactics of American policy.

There is worry about Soviet or Chinese intervention that would escalate the conflict into a major war. There is concern that the bombing will bring about a Sino-Soviet rapprochement. There is disquiet that Soviet-American and other East-West talks leading toward a détente are grinding to a halt. And there is skepticism everywhere that the bombing by itself will force Hanoi to halt its infiltration—the stated American objective—or persuade the Vietcong to give up their winning battle in South Vietnam.

OBSCURE U.S. GOALS

But what most disturbs the Allies and friendly neutrals—especially the British and Indians, who would like to mediate—is the lack of definition of American objectives. Even full explanations delivered privately by special envoys from Washington seem to leave American intentions so opaque that there is little of interest to communicate to Moscow, Peiping or Hanoi, where London and New Delhi both maintain diplomatic missions.

The lucid chairman of the State Department's Policy Planning Council, Walt Rostow, spent several days recently explaining Washington's thinking to high foreign office officials of a dozen NATO countries. These conversations, on the sidelines of the semi-annual seminar of the Atlantic Policy Advisory Group in Reinhartshausen, West Germany, overshadowed the European issues on the regular agenda. But, when it was all over, the European policy planners felt little more enlightened than before. The consensus was that the United States urgently needed to clarify its purposes, both privately and publicly. Mr. Rostow was urged to carry this message back to Washington.

HARRIMAN IN INDIA

An even less successful encounter occurred earlier this month in New Delhi. Roving Ambasador Averell Harriman spent many hours skillfully explaining American policy on Vietnam. He received a sympathetic if noncommittal hearing from Prime Minister Shastri. But he clashed with Foreign Minister Swaran Singh, who urged negotiations and a new Geneva Conference, as did other high Indian officials.

The incident shows that even Washington's most prestigious Ambassador has difficulty obtaining support abroad for a policy that resists negotiations while bombing North Vietnam. The Indians are clear that their interests parallel those of the United States in trying to prevent domination of southeast Asia by Communist China, but they do not agree with all the tactics Washington is employing for this purpose.

The Indians were told that the United States would welcome their help in exploring Communist intentions and in explaining American views, particularly during Shastri's forthcoming visit to Moscow. The key point was to make it clear that the United States was not going to negotiate until Hanoi had stopped its aggression. The Indians were urged to stand with Washington in opposing

the Franco-Soviet proposal for a conference without preconditions. The United States, Mr. Harriman emphasized, could not agree to a conference without adequate conditions.

What, asked the Indians, are the American conditions? At that point President Johnson's special envoy—his hands obviously tied by his White House instructions, or lack of them—had to reply that it was premature to explain this, but that Washington wanted India's support for the principle that there must be conditions.

The Indians said they had been informed of Soviet plans to provide North Vietnam with surface-to-air missiles, technicians, and fighter aircraft manned by Soviet personnel. And they warned that Moscow would not pursue bilateral negotiations for a detente while American bombing continued.

The Indians believe there is a serious threat of war stemming from the possibility that Russia may take over the air defense of North Vietnam. In using negotiations they argue that, once the conference date is set, a cease-fire effective before the talks begin will be more easily obtainable.

As the major power in Asia threatened by Communist Chinese aggression, the Indians believe that the United States should take the initiative in proposing a conference, stating its conditions and objectives clearly. Some suggest that Washington take the dramatic step of announcing that it would stop bombing North Vietnam for 2 or 3 weeks pending a Communist reply and cessation of major Communist military operations. This would expose whether Hanoi and Moscow were serious in stating that the main obstacle to negotiation was the bombing of North Vietnam.

PEACE OFFENSIVE NEEDED

Undoubtedly, there are other ingenious formulas that would permit the United States to open a long-neglected peace offensive. Proposals for an "honorable negotiation," now evoked by President Johnson as an objective, would help refute the image the United States has been acquiring in Asia as "the white aggressor on colored soil." In Europe, it would reply to such charges as that of the New Statesman that Washington "has now forfeited all right to British sympathy over Vietnam" because of a "savage intensification of the war * * * accompanied by an apparent refusal to contemplate negotiations in any form."

And it is even possible that persuasive proposals might find a response in the Communist world. Clearly, before any further stepup in the American air offensive in North Vietnam, the time has come to devise and set in motion a political strategy that, for the first time, will take priority over military tactics.

THE THREAT TO AMERICA'S SOIL CONSERVATION PROGRAMS

Mr. MANSFIELD. Mr. President, on behalf of the Senator from Wisconsin [Mr. NELSON], I ask unanimous consent that there be printed in the RECORD a statement which he has prepared on the subject "The Threat to America's Soil Conservation Programs."

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

STATEMENT BY SENATOR NELSON—THE THREAT TO AMERICA'S SOIL CONSERVATION PROGRAMS

I am deeply concerned over the Budget Bureau's proposals to sharply reduce Federal support for soil and water conservation practices in rural areas. This is shortsighted budgetmaking.

It would result in a serious cutback in the important work of the 3,000 soil and water conservation districts in this country. And it would reduce support for individual farmers participating in cost-sharing soil and water saving practices.

Ironically the proposed reduction comes at a time when the President is eloquently pleading for the preservation of America's natural resources—its water, soil, forests, open spaces, wilderness, and scenic beauty.

No other program in American history has made such an important contribution to the husbanding of the land. No other program strikes more directly to the heart of resource management. We ought now to be expanding the program, not contracting it.

The soil and water conservation districts, which all are locally managed, have provided outstanding leadership for soil and water conservation in rural America since the 1930's. They are the stewards of soil and water resources on the 70 percent of our Nation's land that is privately owned.

The conservation record of the soil and water conservation districts in my State is among the finest in the Nation. We in Wisconsin were particularly gratified a few weeks ago when Secretary Freeman signed an agreement with a new district encompassing Menominee County. That agreement for technical, credit, cost-sharing, research, and educational assistance brought the last of Wisconsin's 36,150,000 acres into a soil and water conservation district.

I have been disturbed in recent months by the suggestions of some of our budgetmakers that conservation is responsible for some of the overflowing granaries that result from the high productivity of our land. Good conservation practices do make land more productive. But that is hardly a valid criticism. Efficient crop production is only one of the soil and water conservation objectives stated by the 1964 Yearbook of Agriculture:

"To control soil erosion at all times and prevent soil damage in the future.

"To use the better soils, wherever crops can be grown efficiently, for greater net gain per acre. The aim is to help the farmer reach a level of income and standard of living closer to that of managers in industrial enterprises.

"To convert land least suitable for cultivation to pastures, forestry, recreation, and wildlife and other uses in which the soil is not disturbed.

"To protect and hold in reserve soils not needed but potentially suited to cultivation until there is a demand for farm commodities from them or until they may be needed for the balancing of efficient farm units."

This same publication shows that the acreage converted by soil conservation district cooperators to less intensive long-term uses exceeded 21,500,000 acres in this country in the 10-year period ending in 1961. The cost to the taxpayers has been extremely small in contrast to the sums required to retire or divert land under other programs.

I am concerned, too, by the proposal to cut conservation cost-sharing funds by $100 million at a time when we should be accelerating conservation and resource development program on privately owned land. This cost-sharing helps pay for terraces, surface waterways, stripcropping, and other soil- and water-saving practices.

This cut is in appropriations recommended for the Agricultural Stabilization and Conservation Service for cost-sharing, under the agricultural conservation program. This cost sharing, also a locally administered program, gives farmers the added incentive needed to push ahead with the work of conserving our natural resources.

But it is the proposal to cut by $20 million the Federal funds available to the Soil Conservation Service, and to have this agency raise this same amount by charges to farmers, that I find most objectionable. This proposal to charge for this technical assistance and put the proceeds into a revolving fund would be a serious blow to a very valuable conservation program. The Government should not charge farmers for help in designing, laying out, and adopting soil and water conservation practices on the land. This is an investment in preserving one of this Nation's most valuable capital assets, its soil.

Since this revolving fund idea was proposed I have received reports from every one of the 72 soil and water conservation districts in my State. I have received petitions from a large number of county boards. And I have had a flood of letters from private citizens, both rural and urban.

All of these reports, petitions, and letters oppose the revolving fund proposal. They reflect a feeling of concern that the Federal Government's commitment to this longtime conservation activity is being downgraded. They express fear that a longtime conservation policy is being reversed.

Under present law the Soil Conservation Service provides technical assistance to these districts through a memorandum of understanding with the Secretary of Agriculture. This technical assistance is provided without cost to eligible farmers and landowners, who are called "cooperators." Except for these services, the districts obtain their support from State, local, or private sources.

Approval of the revolving fund idea would cut the Federal Government's contribution to soil and water conservation in Wisconsin by $314,249 in the coming fiscal year. It would eliminate Federal support for 44 of the 88 Soil Conservation Service technicians now available to advise and assist the 72 districts in my State.

I submit at this point the breakdown in terms of both man-years and dollars that this proposed cutback would mean for the next fiscal year in Wisconsin's 72 soil and water conservation districts:

County	Man-years	Dollars
1st District:		
Kenosha	0.5	3,574
Racine	.4	2,536
Rock	.5	3,738
Walworth	.6	4,454
2d District:		
Columbia	.8	5,484
Dane	1.1	7,674
Dodge	.7	5,081
Green	1.0	7,538
Jefferson	1.0	6,889
3d District:		
Buffalo	1.1	8,214
Crawford	.8	5,776
Grant	1.2	8,363
Iowa	1.1	8,204
Jackson	.8	5,407
Juneau	.7	4,730
La Crosse	.6	4,412
Lafayette	.9	6,652
Monroe	.9	6,540
Pepin	.7	4,666
Pierce	1.1	8,271
Richland	.7	4,956
Sauk	1.0	6,904
Trempealeau	.7	4,803
Vernon	1.2	8,468
6th District:		
Calumet	.6	4,171
Fond du Lac	.8	5,688
Green Lake	.2	1,675
Ozaukee	.3	2,140
Sheboygan	.4	2,704
Washington	.6	4,051
Winnebago	.6	4,309
7th District:		
Adams	0.3	2,334
Clark	.9	6,790
Florence	.1	476
Forest	.1	456
Langlade	.5	3,266
Lincoln	.4	2,931
Marathon	1.6	11,784
Marquette	.5	3,280
Portage	.3	2,269
Shawano	.6	4,520
Taylor	.8	5,847
Waupaca	1.1	7,660
Waushara	.6	4,230
Wood	.9	6,585
Menominee	0	

County	Man-years	Dollars
8th District:		
Brown	0.8	5,419
Door	.2	1,775
Kewaunee	.7	5,169
Manitowoc	.9	6,628
Marinette	.2	1,579
Oconto	.6	4,023
Outagamie	1.0	7,172
9th District:		
Milwaukee	0	
Waukesha	.6	4,066
10th District:		
Ashland	.2	1,481
Barron	.7	5,106
Bayfield	.2	1,384
Burnett	.3	1,789
Chippewa	.7	5,017
Douglas	.3	2,111
Dunn	.6	3,963
Eau Claire	.5	3,669
Iron	.1	482
Oneida	.1	587
Polk	.6	4,272
Price	.4	2,922
Rusk	.4	3,063
St. Croix	1.0	7,487
Sawyer	.3	2,314
Vilas	.1	685
Washburn	.2	1,586
Total	44.0	314,249

I am told by W. W. Russell, Wisconsin's State conservationist, that the workload of our 72 soil and water conservation districts grows each year. Districts receive more and more requests for soil surveys and other measures of the value of land. Many of these requests now come from land appraisers, planning commissions, credit agencies, and Government.

The districts have increasing responsibilities because of new State and Federal authorizations that provide new opportunities for conservation. They work together, for instance, under the Watershed Protection and Flood Prevention Act (Public Law 566). This law permits local watershed groups to obtain Federal funds for flood prevention and for such conservation activities as improvement of fish and wildlife habitat and development of recreation resources.

River basin planning activities also are becoming more prevalent. Local soil and water conservation districts participate in this important phase of resource development.

The new Resource Conservation and Development (R.C. & D.) program requires assistance from soil conservation districts in working for resource development, cropland conversion, recreation development, and new economic opportunities. One of the first 10 R.C. & D. projects approved as pilot programs is in Wisconsin. The project includes all of Price, Rusk, and Taylor Counties. Technical assistance in planning this regional project was provided by the soil and water conservation specialists working in these three counties.

These greater demands for soil and water conservation assistance at the local level signal the need for more Federal assistance, not less. The soil and water conservation districts and their cooperating farmers need and deserve the full and determined support of both the Congress and the administration.

The supervisors of Wisconsin's 72 districts recently met in Eau Claire to discuss the proposed cuts in support for soil and water conservation. One of the major points made was that the State's work in this field is hardly one-third complete.

I also submit the resolution adopted by the Wisconsin Association of Soil and Water Conservation District Supervisors:

"RESOLUTION OF WISCONSIN ASSOCIATION OF SOIL AND WATER CONSERVATION DISTRICT SUPERVISORS, EAU CLAIRE, WIS., MARCH 10, 1965

"All the people of Wisconsin, as well as throughout the Nation, are dependent upon soil and water. We do not have an abundant supply of these natural resources. They can be wasted and lost if not given careful and proper care.

"Seventy-two soil and water conservation districts cover the entire State of Wisconsin. These soil and water conservation districts organized under State enabling legislation provide for the conservation of the soil and soil resources of this State, for the control and prevention of soil erosion, prevention of floodwater and sediment damage, preserve wildlife, protect the tax base, protect public lands and protect and promote the health, safety, and general welfare of the people of our State.

"Each of these 72 soil and water conservation districts have a memorandum of understanding with the Soil Conservation Service to help carry out the technical phases essential to our program.

"The soil and water conservation work in Wisconsin has made a good start but the job is hardly one-third complete. Pressures are increasing upon our land and water resources: Therefore be it

"*Resolved*, That the Wisconsin State Association of Soil and Water Conservation District supervisors oppose the President's revolving fund proposal for the Soil Conservation Service; be it further

"*Resolved*, That the Wisconsin State Association of Soil and Water Conservation District supervisors urge the continuation of the program as it is now being carried out, and we urge the adoption of the Soil Conservation Service budget for 1966 as recommended by the National Association of Soil and Water Conservation Districts."

I suggest that there is nothing in 1965 that makes soil and water conservation less essential than it was in the 1930's. In many ways, as we attempt to shift our less productive farmland into recreational uses, it is more important. This less productive land often is hilly, subject to erosion, and difficult to establish a cover crop on.

I have found from my experiences in Wisconsin that district supervisors and cooperating farmers have a strong feeling of stewardship regarding the land. I think that over the past 25 years there has developed a growing feeling of responsibility toward the soil and the beauty of the countryside.

I also submit a letter that is typical of many that I have received in the past few weeks. This one is from a district supervisor who also is an educator in Buffalo County. It is from O. J. Sohrweide, superintendent of schools at Alma, Wis., and secretary of the Buffalo County Soil and Water Conservation District:

FEBRUARY 18, 1965.

Hon. GAYLORD NELSON,
Senate Office Building,
Washington, D.C.

DEAR SENATOR NELSON: According to information received from several sources, it appears as though the work being carried on throughout the country by our soil and water conservation districts is due for a drastic setback.

For the past 24 years Buffalo County has had a soil and water conservation district. In fact our district was started in 1939 and 1940.

During the past 25 years we in Buffalo County have been able to get approximately two-thirds of the farmers in the county to become cooperators in our soil and water conservation program. This progress was made only because of the active interest shown by our Federal Government by providing trained personnel with which to do the job, as well as Federal funds under ACP.

If the Federal budget cutback is allowed to take place we are confident that there will be a slowing up of our program. In other words, it has taken 25 years to get two-thirds of the job done and it might take another 25 years to get the remainder of our country's land and water under a planned and controlled program. We feel that these natural resources do not belong to the farmer alone, but all people in all walks of life are being affected now and will be affected more so in the future. With our population increase we feel that every acre of our precious topsoil, every drop of our available water supply will be necessary for the growth and development of our Nation.

Those of us who are close to the soil and water problems of our county and State will appreciate anything you can do to help provide the Federal funds necessary for the continuation of local, State, and Federal soil and water conservation district programs.

Sincerely yours,

O. J. SOHRWEIDE.

If this proposal is approved by the Congress, I think it is probable that county boards will be asked to make up Wisconsin's $314,249 share of the contribution to the revolving fund for this technical assistance. The only other alternative would seem to be to have the districts seek contributions from the farmer to make up this lost Federal support.

This does not seem to be a fair choice. Local and State government in Wisconsin and elsewhere already make a sizable contribution to the support of the work of these soil and water conservation districts.

Several counties furnish secretarial assistance to the districts. The supervisors, who throughout Wisconsin are members of the agriculture committee of each county board, serve the districts without pay. Many counties furnish office space, the use of office equipment, and other services to the Soil Conservation Service.

The reason the funds probably would have to be raised by the county boards is that charging farmers and landowners for a share of these technical services is administratively unworkable. Who is going to set the charge for these services? What do we want the Government to charge a farmer when a soil technician stops in his farmyard to give him some advice on planting some shrubs to improve wildlife habitat or on stopping erosion in a troublesome gully? Will this new rate-making job fall to the unpaid soil and water conservation district supervisors? I'm sure they hope not.

Who will do the bookkeeping and fill out the forms for the Department of Agriculture and collect for these services? Will this new responsibility fall on the volunteer office-worker furnished by the county board?

Suppose the county boards decide they are too hard pressed for funds after paying for this technical assistance and decide to charge the Department of Agriculture for the use of courthouse space? Will Congress be asked to appropriate some funds for this?

I think it is clear that this proposed cutback is shortsighted and in fact militates against the very conservation program the President has undertaken with such vigor. Furthermore, it will undermine one of the finest and most successful examples of partnership between the Federal Government and the local people.

It also will mean that these technical services will no longer be available to the farmers who can't afford to pay for them. And it is likely that even the well-off farmers will be willing to pay only for assistance that means something in terms of a dollars-and-cents return. The bill for services will force most to pass up those practices that create wildlife habitat or otherwise conserve and beautify the countryside.

This budget cut would be a long step backward in our much talked about conservation program.

PRESIDENTIAL SUCCESSION AND INABILITY

Mr. LAUSCHE. Mr. President, I received from Mr. C. W. Ufford, director

of industrial relations, of the Warner & Swasey Co., of Cleveland, Ohio, an interesting and thought-provoking letter regarding the proposed constitutional amendment on presidential succession and inability.

I ask unanimous consent that Mr. Ufford's letter be printed in the body of the RECORD.

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

THE WARNER & SWASEY CO.,
Cleveland, Ohio, March 16, 1965.

The Honorable FRANK J. LAUSCHE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR LAUSCHE: The Senate's action in approving a proposed constitutional amendment on presidential succession and inability is to be warmly commended. The proposed amendment would be an important improvement over the present situation. However, I am concerned about two aspects of the proposal and I am sure many people would be if they probed into it.

The first is the provision for handling the resumption of office by the President. As now drafted, this would make it possible, for a period of time, for two people to attempt to exercise the powers and duties of the Presidency. This seems possible under the provision that the Vice President, with the concurrence of a majority of the Cabinet (or such other body as Congress may establish) will have 7 days in which to declare in writing that the President is unable to resume his office. The Congress would then proceed to decide the issue, a two-thirds vote being required in each House to sustain the Vice President and Cabinet in their finding of inability. The delay while Congress probed and debated the issue through its normal procedures in both Houses could make the determination of this difficult decision, especially in a time of crisis, a matter of critical importance.

My second concern is that this provision could, in effect, place in the hands of a hostile Congress actual impeachment power without the safeguard of proper impeachment, procedure.

In view of these possibly serious flaws, may I commend to you an alternate provision recommended by the Committee for Economic Development which proposes that the ending of presidential inability be determined by a majority vote of the Cabinet, the President concurring. Discussions leading to such vote might be initiated by the President or any member of the Cabinet. The Cabinet is close to the President and his condition. It could act with a minimum of delay, publicity, and possible loss of public confidence.

I can think of no more compelling reason for this CED proposal, with which I presume you are already familiar, than that "there must always be a President, but there must never be two."

Again may I commend the Senate for moving ahead on this vital issue. Best personal regards.

Sincerely,

C. W. UFFORD,
Director of Industrial Relations.

THE SCHOOL LUNCH PROGRAM AND HAWAII'S CONTRIBUTION

Mr. INOUYE. Mr. President, on behalf of my colleague, Hawaii's senior Senator, HIRAM L. FONG, and for myself, I am happy to take this opportunity again to invite all Senators to the special type A, pineapple lunch which Senator FONG and I are hosting in the Senate Conference Room, at 12:30 p.m., on Friday, April 9.

This lunch has a twofold purpose. The first is to remind each of us of the purpose, progress, and future importance of the national school lunch program. The second is to invite attention to the economic, as well as nutritional, contribution of Hawaii and our pineapple industry to the success of this program.

In 1946, Congress passed the National School Lunch Act. I believe that the high purpose of this landmark legislation is best described in the act itself. I quote:

> It is hereby declared to be the policy of Congress, as a measure of national security, to safeguard the health and well-being of the Nation's children and to encourage the domestic consumption of nutritious agricultural commodities and other food, by assisting the States, through grants-in-aid and other means, in providing an adequate supply of foods and other facilities for the establishment, maintenance, operation, and expansion of nonprofit school lunch programs.

This policy statement is a very persuasive argument for the national school lunch program. Even more convincing, however, is the simple premise and slogan of the program itself: "You cannot teach a hungry child."

A child may hunger for knowledge; but if his very being hungers for food, learning is impeded—if not impossible. Clearly, a nutritious meal enhances a child's ability to learn; and a healthy, well-educated child enhances our Nation's future.

To me, the national school lunch program is a landmark of enlightened, yet self-serving, legislation. It has already given America a generation of healthier, better educated citizens; and it promises to enrich our Nation even more in the years ahead, for this program is growing—growing in size, growing in importance to the health of our economy, as well as our children.

Widely accepted today, the national school lunch program has not always enjoyed the approval and support of parents, educators, and legislators. In fact, it was only a few years ago that a prominent educator was able to say:

> As an uninvited guest at the educational banquet, school food service has successfully run the gamut of neglect, of scorn, of fear, of anger, and has now entered the approved portals which entitle it to a chair at the educational board.

In 1964, the national school lunch program occupied a dominant chair, indeed, at the educational board. During the 12 months which ended last June 30, for example, approximately 17 million schoolchildren—one-third of our precollege school population—participated in the program daily. These children were served nearly 3 billion meals during the school year.

Not included in these figures as participants in the national school lunch program are an estimated 13 million children who also benefited from nutritious lunches served through other school lunch programs.

The national school lunch program itself was actively supported by 68,500 schools in every State, plus the District of Columbia, Guam, Puerto Rico, the Virgin Islands, and American Samoa, in 1964. Both the number of children and the number of schools participating in the program are expected to increase this year.

Under the National School Lunch Act of 1946, all public and nonprofit private schools of high school grade or under are eligible to participate in the school lunch program. The fact that so many schools have elected to do so is due in large measure, I believe, to three regulations contained in the act.

First. The lunch program in each school must be operated on a nonprofit basis.

Second. Children unable to pay the full price of the lunch must be served free or at a reduced price.

Third. Lunches must meet nutritional standards established by the U.S. Department of Agriculture. These standards are embodied in the lunch pattern known as the type A lunch—the type of lunch, incidentally, which will be served on Friday, April 9.

How does the national school lunch program actually work?

The program is administered by the Consumer and Marketing Service of the U.S. Department of Agriculture, in cooperation with the education departments of the various States. These departments enter into agreements with local boards of education. The local school authorities or other interested groups actually operate the school lunchrooms. Department of Agriculture specialists provide administrative and technical assistance to State personnel, who, in turn, make this assistance available to individual school managers.

Many States do not permit the educational agencies to administer the national school lunch program in nonprofit private schools. In these States, the schools may enter into agreements directly with the Department of Agriculture.

In the fiscal year 1964 the national school lunch program cost approximately $1½ billion. Of this amount the school children themselves contributed approximately one-half—more than $741 million, or an average of 25 to 30 cents for each lunch. Federal funds to reimburse the schools for part of the cost of each lunch served totaled about $130 million, for a national average of 4½ cents per lunch. In addition, the Department of Agriculture also contributes food to the program. It is estimated that in the current fiscal year, Federal food donations will amount to $254 million. The schools themselves use the normal channels of trade to buy in the local food markets, and this year will purchase about 74 percent of the total food used in the program.

Just as the children in each of our States benefit from the national school lunch program, so the economy of each of our States is buttressed by this program. I am sure each Senator knows in detail the extent to which his State and its citizens both contribute to and benefit from the national school lunch program. I know, too, that other Senators are as proud of this contribution and this

participation as Senator FONG and I are of Hawaii's role in the national school lunch program.

I began these remarks by noting that one of the purposes of the pineapple school lunch on April 9 is to invite attention to the role of Hawaii and the pineapple industry in this program. A few statistics will make this point clear.

It is a well-known fact that Hawaii ranks first in the world in pineapple production. This production in 1964 was valued at $120 million, and represented approximately 29 million cases of pineapple fruit and juice.

For most of the world, Hawaiian pineapples are a nutritious, taste delight. To Hawaii, they are a cornerstone of its economy. They provide year-round employment for nearly 7,000 of our citizens, and seasonal employment for an additional 15,000 Hawaiians. In 1964 alone, the employment payroll of the pineapple industry totaled nearly $42 million. Last year, the industry spent more than $37 million for goods and services in Hawaii. It paid more than $6 million in taxes, not including Federal corporate and income taxes.

No review of the pineapple industry, however brief, can be complete without pointing out that the industry is not a nameless giant. It is the California Packing Corp.; the Dole Co.; Libby, McNeill & Libby; Maui Pineapple Co.; Hawaiian Fruit Packers; and the Haserot Pineapple Co.

Above all, and most appropriately, the pineapple industry and all of Hawaii are enthusiastic, essential partners in the national school lunch program.

So far as participation in the national school lunch program is concerned, the Department of Agriculture readily acknowledges that Hawaii is one of the States of which it is particularly proud—and rightly so, I may add.

Hawaii has participated in the program since its inception in 1946. Last year, the program operated or was available in 198 out of the State's 204 public schools. In these 198 schools, the average daily participation in the national school lunch program was 124,576 children—or 84.5 percent of the average daily attendance. This is a remarkable record.

The program in Hawaii last year was a $10 million operation: $6,108,000 from income received in the school cafeterias; $721,000 cash reimbursement from the Department of Agriculture; $1,572,000 as a food-commodity donation from the Department of Agriculture; and $1,875,000 from the general tax fund.

In 1962, the Department of Agriculture made its first purchase of canned pineapple for the national school lunch program. It purchased approximately 133,000 cases of pineapple tidbits and cubes, or enough for one and one-third servings for each child. Last year, the Department purchased some 309,000 cases, or enough for 2.7 servings per child. In addition, it is estimated that local purchases of pineapple for the national school lunch program totaled 500,000 cases last year.

Clearly, pineapples are becoming a nutritional taste delight to those who must plan school lunches and to the children privileged to enjoy them.

Mr. President, I greatly appreciate the consideration of the Senate in permitting me to review some of the highlights of the national school lunch program, especially as it relates to Hawaii and our pineapple industry. For myself and for Senator FONG, I again extend to each Senator a cordial invitation to enjoy a typical type A pineapple school lunch in the Senate conference room—S-207—at 12:30 p.m., on Friday, April 9.

NAVY HEROES COMMENDED

Mr. BARTLETT. Mr. President, it has now been a year since the great and terrible Alaska earthquake, fire, and wave. The heroism displayed by the many, many people who came to Alaska's aid can never be fully recognized or adequately acknowledged.

Recently, the Secretary of the Navy officially commended the Navy units of Alaska "for extremely meritorious service" during and after the Alaska disaster. He commended them, not only for "restoring military facilities and utilities," but also for "providing invaluable assistance to their civilian neighbors." Alaskans are, indeed, grateful for their assistance, and are pleased that these units have now been awarded the Navy Unit Commendation Ribbon.

I ask unanimous consent that the list of units and their citation be made a part of the RECORD at this point.

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

THE SECRETARY OF THE NAVY,
Washington, D.C.

The Secretary of the Navy takes pleasure in commending the following units: Staff COMALSEAFRON 17; U.S. Naval Station, Kodiak; U.S. Naval Communication Station, Kodiak; U.S.S. *Kodiak* (LSM-161); U.S.S. *Salisbury Sound* (AV-13; Fleet Weather Central, Kodiak; U.S. Navy Commissary Store, Kodiak; U.S. Marine Barracks, Kodiak; U.S. Mobile Construction Battalion 9 for service as set forth in the following citation:

"For extremely meritorious service during the period March 27 through May 10, 1964, in connection with the disastrous earthquake and tidal waves which struck the island of Kodiak, Alaska. Immediately following the earthquake, which occurred on Good Friday, March 27, 1964, and which seismologists claim to be the most devastating on record in North America, the above-listed units mustered their full strength and went into action to alleviate the widespread suffering and destruction resulting from this catastrophe. In addition to restoring military facilities and utilities, these units simultaneously played a significant role in Operations Helping Hand by providing invaluable assistance to their civilian neighbors in effecting the recovery of Alaskan communities. The fortitude, initiative, cooperation, and devotion to duty of the individual members of all units in the face of disastrous circumstances were in keeping with the highest traditions of the U.S. naval service."

All personnel attached to and serving on board any of the designated units during the above period, or any part thereof, are hereby authorized to wear the Navy Unit Commendation Ribbon.

PAUL H. NITZE,
Secretary of the Navy.

LOCAL-SERVICE AIRLINES SUCCEED

Mr. MONRONEY. Mr. President, the March 8 issue of the Aviation Daily contained a concise summary of the latest report on the local-service airline industry, prepared for the Association of Local Transport Airlines by the Systems Analysis and Research Corp. This report, published every 2 years, gives all interested persons a description of the status of local-service airlines and the progress they have made.

This latest study contains valuable information which should be brought to the attention of every Member of Congress. Congress appropriates many millions of dollars each year for subsidy to these carriers, and should keep itself informed on the results of its investment.

I congratulate the Association of Local Transport Airlines for again publishing a helpful and useful report. I also commend the association and each individual local-service carrier for the strides they have made in improving short-haul air transportation and for their cooperation with the Government in reducing the levels of the subsidy.

I ask unanimous consent that the Aviation Daily article be printed at this point in the RECORD.

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

LOCALS SHOW HEAVY TRAFFIC-REVENUE GAINS WITH DECLINING SUBSIDY RATIO

Local service airlines' ton-miles increased 18 percent and commercial revenues 16 percent in the past year with no increase in subsidy, according to a new report on the industry prepared for the Association of Local Transport Airlines by Systems Analysis & Research Corp.

"Local traffic and commercial revenues have doubled since 1960, while public service payments have grown only one-third," the report said. "In other words, each public service payment dollar buys in 1964 three times the public benefits it bought 4 years ago." The $69 million subsidy paid in fiscal 1964 was described as being only one-half of 1 percent of total Federal payments for aid and special services. Before World War II, 12 smaller trunks received $10.10 subsidy for each passenger carried, or over 40 percent more than the $7.11 received by today's 13 locals; for each $1 of commercial revenue earned these trunks received 65 cents subsidy—almost 60 percent more than the 41 cents received by the locals, according to SARC. The report also said:

Cities served by locals increased from 315 in 1950 to 589 at the end of 1964. Cities served exclusively jumped from 177 to 402, and have increased by more than one-third in the past 5 years.

Route miles are up 85 percent since 1952. During this period, trunk route miles have increased only 20 percent and the number of points served exclusively by the trunks decreased 70 percent. Passenger train miles dropped 45 percent. In the past 4 years, more than 9,700 local route miles have been added, 1,400 of them in the past year.

Of 97 cities where trunk service was superseded by that of a single local in the past 14 years, that carrier substantially improved passenger development above former levels at 70 cities. In 52 cities, the local generated passenger volumes more than 20 percent larger than had formerly been generated, while in 23 cities passengers were up 100 percent.

Average revenue per passenger has increased to $16.07 as a result of fare increases and increases in trip length. However, fares cannot be raised much above their present level "without the danger of pricing the service out of the market." Operating expenses per available seat-mile are 7 percent below those of 1959.

Stockholders of the carriers have received negligible benefits. The industry's retained earnings on June 30, 1964, after more than 14 years of operation, totaled $17,925,000. "On gross revenues over the period of $1.5 billion, this is equivalent to a profit margin of only 1.2 percent."

Employment totaled 16,000 persons with 1964 payroll of more than $105,500,000.

Taxes paid to and collected for Federal and State Governments include $3 million on fuel and oil, $7,750,000 transportation tax, and $5.5 million in property, income, and other levies.

Results thus far indicate that the class mail rate has been a "real success," the report said. "The subsidy needs of the industry have declined and the financial position of the carriers has improved. The subsidy rate level has declined 26 percent from the first-class rate (in 1961) into the current rate—from 1.98 cents per available seat-mile to 1.46 cents. However, it must be noted that continued reductions will depend, in large measure, upon continued improvements in route structure and operating flexibility. There is tremendous potential available to local carriers in better density short-haul markets which the locals are not permitted to realize under current restrictions. Such potential includes 102 short-haul markets, access to which would double presently available commercial revenue. Access to such markets for the locals could not jeopardize the trunklines."

RAILROAD SAFETY

Mr. CHURCH. Mr. President, railroad safety and traincrew working conditions should concern all of us, since at one time or another nearly everyone places his trust in the ability of the men of the railroad to take him safely from place to place. The safety regulations prescribed in title 45 of the United States Code now permit railroad men to work up to 16 consecutive hours, whereas 12 hours would seem to be a safer and fairer maximum. The Idaho State Senate has adopted a memorial to the U.S. Senate, setting out the need for change in work rules, and has made specific suggestions which should be of interest to the Members of the Senate.

I ask unanimous consent that the memorial be printed in the RECORD.

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

SENATE JOINT MEMORIAL 6 OF THE LEGISLATURE OF THE STATE OF IDAHO

To the Honorable Senate and House of Representatives of the United States, in Congress Assembled:

We, your memorialists, the Legislature of the State of Idaho, assembled in the 38th session thereof, respectfully represent that:

Whereas Federal law, title 45, sections 61 to 64, inclusive, now allows a railroad to require its employees to work as long as 16 consecutive hours without rest; and

Whereas the Federal law was enacted March 4, 1907, for the purpose of safeguarding the health and safety of employees; and

Whereas such law has never been amended; and

Whereas the high speed operations of modern railroads impose an undue strain upon employees required to work the long hours now allowed, thus endangering the health and safety of the employees: Now, therefore, be it

Resolved by the Senate of the 38th session of the Legislature of the State of Idaho (the House of Representatives concurring therein), That we most respectfully urge the Congress of the United States of America to proceed at the earliest possible date to pass legislation amending title 45, sections 61 to 64, inclusive, and more particularly amending section 62, to read as follows:

"It shall be unlawful for any common carrier, its officers, or agents, subject to sections 61 to 64, inclusive, of title 45 to require or permit any employees subject to said sections to be or remain on duty for a longer period than twelve consecutive hours, and whenever any such employee of such common carrier shall have been continuously on duty for twelve consecutive hours he shall be relieved and not required or permitted again to go on duty until he has had at least ten consecutive hours off duty; and no such employee who has been on duty twelve hours in the aggregate in any twenty-four-hour period shall be required or permitted to continue or again go on duty without having had at least eight consecutive hours off duty: *Provided*, that no operator, train dispatcher, or other employee who by the use of the telegraph, telephone or radio dispatches, reports, transmits, receives, or delivers orders pertaining to or affecting train movements shall be required or permitted to be or remain on duty for a longer period than nine hours in any twenty-four-hour period in all towers, offices, places, and stations continuously operated night and day, nor for a longer period than twelve hours in all towers, offices, places, and stations operated only during the daytime, except in case of emergency, when the employees named in this proviso may be permitted to be and remain on duty for four additional hours in a twenty-four-hour period on not exceeding three days in any week: *Provided further*, that no locomotive engineer working without the assistance of another qualified engineman, operating locomotives or trains, receiving, interpreting, or carrying out telegraph or telephone dispatches, radio messages, or written orders pertaining to or affecting train movements shall be required or permitted to be or remain on duty for a longer period than nine consecutive hours and shall not be required or permitted to continue or again to go on duty until he has had at least eight consecutive hours off duty: *Provided further*, The Interstate Commerce Commission may after full hearing in a particular case and for good cause shown extend the period within which a common carrier shall comply with the provisions of this proviso as to such case."

Now, therefore, be it resolved, That the secretary of state of the State of Idaho be, and hereby is authorized and directed to forward certified copies of this memorial to the President and Vice President of the United States, Speaker of the House of Representatives of the Congress, and to the Senators and Representatives representing this State in the Congress of the United States.

W. E. DREVLOW,
President of the Senate.
PETE F. CENARRUSA,
Speaker of the House of Representatives.
Attest:
ARTHUR WILSON,
Secretary of the Senate.

URBAN RENEWAL IN THE BUSH

Mr. BARTLETT. Mr. President, in the 88th Congress I spoke to the Senate about the village of Holikachuk, Alaska, and the desire of the villagers to move to a new and more desirable location along the Yukon River. When I spoke, the move was still a dream, for the work had just begun.

Many people said the villagers of Holikachuk would never get beyond the dreaming or planning stage. They said the move would never come about.

There were many obstacles facing the village. There were logs to be cut, houses to be built, a school to be constructed, and careful and extensive planning to be done.

To a less enterprising and ambitious group than the villagers of Holikachuk, these obstacles might well have proved insurmountable. But, Mr. President, all of these obstacles were overcome. In the first year of the move, 1963, seven homes were completed and the school was constructed.

The work continued in 1964, and 20 more homes have been completed.

In establishing the new village of Grayling, there was assistance, first, from the Housing and Home Finance Agency, in making available for the experiment funds from the Alaska State Housing Authority, the Bureau of Indian Affairs, and other governmental and private agencies. The people of Holikachuk intended to move, either with or without assistance; but with such help, the move and the building of the community were accomplished in an orderly fashion. The homes constructed are better built and planned, and will be far better places in which to live. The new village of Grayling is a tribute to the hard work of the villagers and to the creative assistance the Federal and State Governments offered.

Mr. President, recently I received in the mail, from the community of Grayling, a newsletter which reports on the accomplishment of the community, and gives thanks to all those who assisted the villagers in the move. I ask unanimous consent that the newsletter be printed at this point in the RECORD.

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

GRAYLING NEWSLETTER

(By Walter Maillelle)

I don't really know how to start this news of our new village of Grayling—but I will give it a try. The people of Holikachuk had been talking about moving out to the Yukon for many years. This move is something we did dream about last night and it come true today. This move had been talked about for as long as I know myself. In 1962 the people in Holikachuk started talking more about moving. The council held lots of meetings with each other and with the whole village. About 90 percent of the people in the village of Holikachuk decided to move to the Yukon area. A committee, chosen by the council, came over to the Yukon area and decided that the Grayling area was the place for us.

Holikachuk was a clean village but we wanted it better even to keep clean in Grayling. We decided the way to do this was to see that each family had a lot large enough to take care of his family. Also we wanted space for roads in our village. The council decided that each family would have a lot 200 feet long by 125 feet wide, and each family would be responsible for keeping his

own lot clean. We cleared space for roads—the roads are 30 feet wide.

We talked to lots of people about our move. So finally we had visit from BIA Juneau. I'm pretty sure many people know Neal Jenson who is with BIA Housing, he helped us and many others I could not name at this time. We asked them for help to move so it would not be so hard for many of our people. BIA brought in chain sawmill and Alaska Housing brought in tools. In January 1963 the men of the Holikachuk Village went out to the Yukon, 24 miles by winter trail, to cut logs, before everybody go out beaver trapping. After the men come back from trapping during the month of April 1963, we cut more logs. By the end of April 1963 we had 1,650 logs cut and hauled to the Yukon River bank ready to be floated down the Yukon to our new village site of Grayling. Right after breakup our village men brought the logs down to Grayling to be sawed into lumber for our new homes. Four of our families took down their homes in Holikachuck and by barge did bring them over to Grayling and rebuilt them here. Henry Deacon brought his sawmill in June 1963 by barge and set it up in Grayling. Four of our men left at this time to work for the cannery in the Bristol Bay area.

On July 13, 1963, the BIA foreman come into Grayling to start construction on the new Grayling BIA School. They got 25 men to work on the new school. In late August 1963, Alaska State Housing started to help us with plans for building our new homes here. The people were working at the school and also trying as well to build their homes in the new village. By the time the river freeze up in 1963, Alaska Housing had helped us plan and build seven new homes. Some of our people at this time built a cache for a temporary home.

The new BIA School was completed in December 1963. We are very proud of our new school.

I myself was appointed acting postmaster for the Grayling Village on November 23, 1963. I never will forget that day because it was the day after our dear President Kennedy was killed—it was such a shock to our people and everyone was very sad in Grayling that day.

We have had one family move to Grayling from Anvik. We also have had two marriages here in the past year.

During the month of April 1964 our people went up the Yukon River 20 miles to cut more logs. At this time 1,300 more logs were cut. In the first part of June 1964, Chuck Blomfield, from Alaska State Housing, and three other guys came into Grayling to start to help us plan to build more homes here.

In the month of November 1964, I see nearly all homes were up, only about four more homes now will have to be built this summer then Grayling homes will be complete.

I feel pretty sure that a lot of people don't know where Grayling is; as Grayling, of course, is not on the map yet. We hope Grayling is soon put on map. Just in case you don't know where Grayling is, it is about 20 miles upriver from Anvik and west from Holikachuk.

I would say we are about 80-percent better in our living conditions at this time in Grayling than we were at our old village of Holikachuk.

We used to have to go through a slough about 40 miles to get to our fish camp from Holikachuk. Now, today, living in Grayling we need to go only 3, 7, or 20 miles to get to our fish camps. In the spring and fall the Yutana Barge discharges freight in front of our village and before our freight used to have to go by way of Holy Cross before it finally got to Holikachuk.

The population of the village of Grayling is 142 persons (which is a lot different than some people are saying that we are nearly all back in Holikachuk). Out of this number we have 14 children away in high school and 37 children attending the new BIA School in Grayling. We have two churches here and one store called Grayling Native Store. Population of the village of Holikachuk at this time is three persons (belonging to the same family).

On Thanksgiving Day 1964, the new BIA School was dedicated and everyone in the village had a real good day. Besides the dedication we had a big feed and a movie in the school. Everyone had a good Christmas also.

Two weeks ago we had some native dances here in Grayling and everyone enjoyed them.

I would also like to mention that we hear rumors are around that some of our people have moved back to Holikachuk. These rumors are wrong. The same people said we never would move in the first place to Grayling—but we did move. We will be very happy to welcome anyone to visit our new village—we are proud of Grayling and someday we hope it will grow into a big place.

I hope this is only the start as I would like to see more things here for our people and hope we can get working on them soon. We would like to see a well in each home and village power so each of our people could enjoy electricity.

When all homes are completed we hope then to build a new village hall. These are plans of the future. We hope arctic health research can work with us on projects.

We hope soon that Governor Egan can help to see we get the airstrip we so badly need for this village because we must go (round trip) 40 miles to Anvik by boat to get mail in the summer.

I wish also to say thanks for your trust to the people who believed us when we said we would move, and thanks also to those who helped us.

MR. ANSETT MIGRATES TO AUSTRALIA

Mr. CHURCH. Mr. President, every now and then our great newspapers take editorial note of a small matter that has large impact. Such is the case of Mr. Robert Ansett, whose chronicle is observed in the Idaho States Journal, of Pocatello, on March 7. Mr. Ansett made a great to-do about the terrible state of American affairs; and he vowed that if Barry Goldwater—who apparently epitomized Mr. Ansett's ideal in government—were defeated last November, he, Mr. Ansett, would pack up family and fortune and would go to Australia, where a man could hack out a free existence by the sweat of his brow. Mr. Goldwater was defeated; and Mr. Ansett was as good as his word: He quit his $175-a-week bakery job—incidentally a salary, somewhat better than most—and departed for the land down under. But the editorial writer has made a great discovery: Awaiting Mr. Ansett in Australia was not only new opportunity, but also a multimillionaire father.

Mr. President, I submit that both Mr. Ansett and Mr. Goldwater played true to their beliefs. Rugged individualism and the will to make it on one's own regard to the needs of his neighbor, are made much easier when a man is backed by a million-dollar bank account.

I ask unanimous consent that the editorial be printed in the RECORD.

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

[From the Pocatello (Idaho) State Journal, Mar. 7, 1965]

MR. ANSETT'S OPPORTUNITY

It was with great relief—but with some disappointment—that we read of the good things awaiting Robert Ansett when he reaches Australia. There we were, visualizing Mr. Ansett and his family hacking out a meager existence for a while, then laboriously achieving a measure of well-being in true pioneer style. Just as it was when this country was young, you might say.

But alas, it probably won't be that way at all, and it's a bit disillusioning.

In case you missed the stories, we refer to the Robert Ansett who sailed this past week from California to Australia to begin a new life. It was reported that his decision to leave this country was hastened by Barry Goldwater's defeat last November. He told his boss that if Senator Goldwater lost, he'd depart. He was quoted as saying that his bet "just brought the situation to a head faster than it would have been. We'd have left sooner or later anyway, with things here the way they are."

A $175-a-week bakery route salesman, Ansett declared that "Australia is presently more socialistic than the United States but the trend there is toward conservatism. It's just the opposite here."

Ansett specifically objected to the tax structure, social security, Government controls on commerce and "taking the initiative from the individual. There just isn't the opportunity now that there was when the country was young," he said.

Noting that there were "a lot of jobs available in Australia," he said he'd "just have to take whatever comes along at first and plan from there."

Well, it developed after Mr. Ansett left that life in Australia isn't likely to be so challenging after all. It turns out that his father lives in Australia, and he is described as one of that country's richest men. His wealth is in airlines, buses and trucks, television stations and hotels and motels, and is estimated at more than $85 million.

So it appears that Mr. Ansett will not be entirely destitute, and he probably won't find it difficult to make his way down under. If he finds some leisure time, we hope he'll reflect upon his comments about the country he left. Not that this Nation can't stand criticism; we merely question the validity of what he said.

All of us complain about taxes, of course, but at least some of his former countrymen look upon them as the price we pay for living in a vibrant, growing nation. Social security may be unpalatable to Mr. Ansett, but it is not so to many who find it their only hope for a decent existence in their late years.

As for Government controls on commerce, Mr. Ansett had only to read the reports of countless corporations in the past few months. Almost without exception, they have told of record sales and profits, obviously despite "Government controls" and possibly because of some Government policies, such as tax cuts.

Of course there "isn't the opportunity now that there was when the country was young." The country is no longer young in the sense that there is a continent to be subdued, but that doesn't mean there's no future here. Opportunities are being made and grasped every day in business, in science, in education, in the arts.

It is hoped Mr. Ansett has a pleasant voyage to Australia and that he finds the freedom and opportunity there that he couldn't find here. With a father worth $85 million, he should not find it much of a chore—L. E.

RESEARCH ON CHILDHOOD ASTHMA

Mr. McGEE. Mr. President, a distinguished Washington physician known to many of us has stressed the need to broaden the base for the fight against a most crippling affliction, childhood asthma.

This is the season when asthmatic problems are particularly noted; and in Denver, Colo., last Saturday, Dr. Frederic G. Burke made well the point that research in the asthma-emphysema syndrome is deserving of increasing economic support from industry, private resources, and particularly, from the Federal Government.

Mr. President, Dr. Burke's paper, presented at the seminar of the Children's Asthma Research Institute and Hospital and the Jewish Home for Asthmatic Children, at Denver, is deserving of attention, because of the light it throws on this medical problem and because of the hope it holds out for the many air-hungry children stricken by this vicious disease. I ask unanimous consent that Dr. Burke's paper, entitled "The National and International Significance of Research in Childhood Asthma," be printed in the RECORD.

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

THE NATIONAL AND INTERNATIONAL SIGNIFICANCE OF RESEARCH IN CHILDHOOD ASTHMA

Significant and dramatic advances in medical research are stimulated only by catastrophic forces of considerable magnitude. Static inertia holds tantalizing breakthroughs firmly imbedded in ignorance until counterbalancing leverage of greater power is applied to advance our medical knowledge and relieve human suffering.

Among such forces are wars and the interests of the executive branch of the U.S. Government. History is full of examples of this relationship and while not an exclusive association, because there are numerous examples of the dramatic impact of occasional scientific geniuses working along in their laboratories initiating medical discoveries, in recent years, war and Presidential interests have been important and effective.

Possibly the most important positive dividend from World War II was the discovery and application of penicillin. Certainly the affliction of President Franklin Roosevelt played no small part in the dramatic and successful fight against poliomyelitis. Certainly the dedicated interest of our late President John F. Kennedy in spotlighting mental retardation has led to more knowledge and interest about this cacophonic illness in the past 5 years than had been known in all previous recorded time.

Under President Truman, the hospital construction acts and NIH programs were built and tremendously expanded to provide the base for future medical discoveries. The intimate contacts of Presidents Eisenhower and Johnson with cardiovascular illness have surged forward research in these areas with the imminent promise of additional investments of large national resources into cancer, heart disease, and strokes.

For those of us interested and indeed charged by our consciences with relieving the breathing diseases of chicken, one can only wistfully wish that in terms of time and history, President Theodore Roosevelt would be our next President. The travails of this man with asthma, of course, are well known to all.

Now, of course, no one would say that money alone is the lever that moves mountains of medical ignorance, but like that little boy who was asked by his mother from a distant part of the house, "Johnny, are you spitting in the goldfish bowl?" replies, "No, Ma, but I's coming close." Money helps—it helps by status and seduction, by producing good facilities to work in, biologic and behavioral manpower are attracted to apply their know-how to medical problems not before looked by them at in depth.

Historically the greatest patrons of the arts and sciences have shifted from Mother Church and from the Medici type families of the Middle Ages, from industry, corporations and the private great fortunes of more recent times. The principal patron of scientific research today is the Federal Government.

The Nation's expenditures for the conduct of medical and health related research is approximately $1.5 billion with the Federal Government providing about 63 percent of the total funds.

Continued growth of funds for health-related research has continued from all sources in the postwar period—a rise in the Federal contributions from a $27 million program in 1947 to a $1.2 billion a year program in 1964. Contributions by non-Federal sectors of the country have also grown considerably, but not at the same acceleration and this is due at least in part to the initiating and watching programs of Uncle Sam stimulating the total research capability of the entire scientific community both in the United States and throughout the world. This represents about a 20–25 percent increase per year in the budget since the end of the war. However, the total amount of $5 billion in the aggregate, spent in health-related research between 1947 and 1964 is less than the $5.6 billion spent in the space exploration program in the year 1964 alone.

Although contemporary medical and health related research draws upon all fields of science, so far as Federal Government expenditures are concerned, 90 percent is concentrated in the many disciplines of biology and medicine, 10 percent is spent broadly among related fields in the physical, social and behavioral sciences. Federal funds supporting scientific investigators working in the research environment of nonprofit institutions, however, have become increasingly significant and last year two-thirds of these funds were spent by these researchers in their locations.

Relating these escalating economic forces to the problem of the childhood asthma-emphysema syndrome provides something of a relative disappointment when one considers the increasing magnitude and importance of this crippling chronic disease in our pediatric population.

The relative decrease in deaths due to infectious diseases has thrown into bas-relief the importance of asthma as a deadly disease and even in the 1953 vital statistics when there were 7,640 homicide deaths, at least 6,737 died of asthma. Severe asthma can be considered a potentially preventable disease and when we compare these deaths with those resulting from those diseases on which we have made dedicated drives to prevent and treat (more than all the diseases which we currently now control by immunization) we see the ever-growing importance of asthma as a medical challenge.

Despite the impressiveness of the incidence of deaths due to this disease, the estimates of the crippling effects in adult life of childhood asthma can only be estimated since morbidity statistics are frequently hard to obtain. In the 1963 national health survey of children in the United States the data showed more than one-third of all chronic illness reported for children under 17 years was caused by hay fever, asthma, eczema, orsinusitis. Nearly one-fourth of all the days reported lost from school because of chronic conditions are due to severe asthma. These figures are considered conservative and are probably higher. The crippling psychologic, pulmonary, and economic effects of childhood initiated asthma in adult life can only be guessed at, but they are high.

The saddened plight of the air-hungry child stimulates patient and family panic and is breathtaking, not only to the child but also to his family. Many family units have been uprooted and broken by the frightening visitation of this vicious disease complex.

While the role of the genetic endowment and biologic and psychologic factors are undoubtedly important components in the causation of asthma, another, and most important is the physical environment of the child. The urgency of investigating the role of air pollution and environmental contamination in the production and/or aggravation of these diseases cannot be overstated. Medical annals are filled with volumes dealing with the effects of climate on human disease, but there is a signal lack of controlled scientific observation on the human effects of polluted air. We are accustomed to thinking that a diseased state is brought on by a single cause, a classic view that is no longer tenable for many disease states. While there is frequently a simple association of an infectious agent producing an acute disease state, this concept simply does not answer many chronic diseases which are on the rise today. Chronic bronchitis in Great Britain, once thought to be a specific disease entity, similar to chronic asthma, develops over a long period of time and can become crippling through a combination of factors.

It seems apparent that there is probably no single cause of chronic asthma but air pollution certainly is part of the etiologic complex and one that has not been extensively evaluated.

Indeed, with due consideration of the full magnitude of this problem, there needs to be a greater and more concerted research effort made into all of the several etiologic avenues of approach. In turn, research in the asthma-emphysema syndrome is deserving of increasing economic support from industry, private resources, and particularly from the Federal patron.

The outstanding leadership of the board and medical staff of the Children's Asthma Research Institute and Hospital in bringing our present levels of understanding about asthma to the present position is, of course, recognized both here and abroad. Imaginative research, quality training of personnel, and patient care have set high standards for others to follow. As a real pioneer in plotting the research trails into asthma, this institute has assumed the robes of leadership, and it has worn them well. Grateful acknowledgment of their efforts is accorded by the medical profession and imitative efforts to simulate this demonstration model in part or in whole must be stimulated in a widening geographic circle of distant communities.

Thus we look for a broadening of the base on which to expand our fight against childhood asthma. We need to expand our recourses in service, in training and in mobilizing research potentials nationally and indeed internationally because this medical enemy has passports to all areas of the world.

Increasing manpower and economic investments are currently being mobilized for this research siege, and are coming from private as well as Federal sources. The Allergy Foundation of America now starting its second decade has stimulated general public awareness by public information campaigns and is supporting significant research and training programs in a number of medical institutions. The American Academy of

Allergy and the American College of Allergists, Inc., by their insistance of high professional standards of excellence in practice and research, have recruited scientists and others to meet this multifaceted problem. The Research Council of the American Academy of Allergy, particularly, has been most effective in stimulating interest in asthma research.

From the immense resources of the Federal budget, opportunities for support of quality training and research in the asthma-emphysema complex are many and deep. They are national and international in scope and are mandated by the specific missions of the several granting agencies.

These include the National Science Foundation; the Chronic Disease sections of the State Services Division of the USPHS; the Children's Bureau; the Environmental Division of the USPHS, and others—in addition to all eight of the National Institutes of Health.

In 1964 alone there were 30 research grants in childhood asthma that were supported by the NIH for a total amount of $961,000. Eight of these projects were supported by the Institute of Child Health and Human Development, in its first operational year, for a sum of $300,000.

The expanded fiscal year 1965–66 budget of the Institutes of Health recently approved by Congress for both domestic and foreign health-related research gives ample evidence of the level of consciousness of our Federal leadership to their responsibilities to improve the health of the Nation.

At all levels of research action, with all available resources at our disposal, a concerted and determined effort must be structured to bring relief and open the windows of ignorance to let in the air of enlightenment for our breathless asthmatic children.

LAND SUITS—APPEAL LAW UPHELD

Mr. CHURCH. Mr. President, an opinion of great interest to all Senators from public land States, and, indeed, to all from States in which publicly owned lands are situated, was handed down, earlier this month, by the U.S. District Court for Nevada.

The case was that of *Stewart* v. *Penny, et al.*, civil No. 1619, decided by Judge Bruce Thompson, involving a homestead entry. Among the issues was the 1960 amendment to the venue provisions of the Judicial Code by which a private citizen may bring suit against Federal officers in a land matter in the district court for the district in which the lands that are the subject of the action are located. Formerly, actions against Interior Department officials involving publicly owned lands could be brought only in the District of Columbia; and, thus, a great many private citizens were in fact denied the remedy of judicial review of administrative action, because of the expense and time required for suit against the Secretary of the Interior in Washington, D.C.

In the 87th Congress, I sponsored, in the Senate, the bill, S. 717, on which this amendment to the judicial code is based; and, hence, I am particularly interested in its interpretation by Judge Thompson, in affirming the intent of my bill.

Also at issue was the scope of judicial review of administrative action. The Government took the position that a finding by the Secretary of the Interior of noncompliance with statutory requirements for homestead entry was conclusive, and was not subject to review. Judge Thompson disposed of that argument with the following observations:

We cannot, however, accept without limitation a contention that a high administrative official in Washington, D.C., is better qualified than others to analyze and draw conclusive fact inferences from a cold record produced at an evidentiary hearing 3,000 miles away and relating to physical conditions with which he has questionable familiarity.

* * * * *

The omnipotence of the Department of the Interior as guardian of the public domain is exhibited when the Department acts affirmatively and grants patents under the public land laws. The converse is not true. An entry or application for patent which is contested or rejected by the Secretary presents issues regarding the legal rights of the entryman under the public land laws. These are rights established by Congress which the Secretary of the Interior may not arbitrarily or capriciously ignore and which must be determined within the due process safeguards of the Administrative Procedure Act.

Mr. President, in view of the significance and interest of Judge Thompson's opinion to citizens in all of the public land States, and as chairman of the Public Lands Subcommittee of the Committee on Interior and Insular Affairs, I ask unanimous consent that the text of the opinion be printed in the body of the RECORD.

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

IN THE U.S. DISTRICT COURT FOR THE DISTRICT OF NEVADA—CHARLES H. STEWART, PLAINTIFF, *v.* GORDON PENNY, INDIVIDUALLY AND AS MANAGER OF THE RENO, NEV., LAND OFFICE, BUREAU OF LAND MANAGEMENT, U.S. DEPARTMENT OF INTERIOR, AND DANTE SOLARI, INDIVIDUALLY AND AS DISTRICT MANAGER, BUREAU OF LAND MANAGEMENT, U.S. DEPARTMENT OF INTERIOR, DEFENDANTS—CIVIL NO. 1619

OPINION AND DECISION

The inadequacy of our public land laws to afford reasonably workable methods, under present conditions, for the acquisition of public lands by private citizens is a matter of growing national concern. It is of particular concern to the State of Nevada inasmuch as approximately 85 percent of the area of this State (the seventh largest) is still in the public domain. Much of it has a valuable potential for private use. Yet the archaic Federal land laws, enacted in an era of an agrarian economy, are ill-suited to an orderly disposition of the lands into private ownership.

The laws were enacted with the laudable motive of enabling the penniless pioneer to acquire a home for himself and family primarily through toil and with little capital expenditure. That purpose was long ago achieved and most of the lands of the Western States which had a valuable agricultural potential even if only marginally so, have been patented to individuals under the beneficent laws to the exclusion of the wealthy who, under a different policy, might have acquired large blocks of public lands by purchase. The inapplicabiilty of this policy to modern conditions has, during the past quarter century, accomplished a virtual deep-freeze of public lands in Federal ownership. True, some small progress has been made under the Small Tract Act, laudable for its effort to dispose of public lands, but questionable insofar as it has clung to the concept of "proving up" the entry by requiring construction of minimum improvements, a policy which has resulted in shanty-town-like development of many areas opened to small tract entry.

The inertia of Congress in modernizing the public land laws has been a disservice not only to the public but also to the officials of the Bureau of Land Management who have been faced with the problem of applying archaic laws to present-day problems of public land disposition. This is such a case.

On November 23, 1953, Charles E. Stewart, of Gardnerville, Nev., filed an application for homestead entry upon the E½ W½, sec. 18, T. 19 N., R. 20 E. (160 acres) with the Reno Land Office of the Bureau of Land Management. A land status investigation determined that the SE¼SW¼ had theretofore been withdrawn as a highway material deposit site, and this portion, by amendment, was excepted from the application, reducing it to 120 acres. The remainder was included in a Taylor Grazing District, so the Land Office, acting pursuant to part 296 of the Code of Federal Regulations, undertook to determine whether the land could properly be reclassified for homestead entry. On March 14, 1955, the Land Office made its decision, allowing the entry, and finding: "A field examination has been made and it has been determined that the land is more valuable and suitable for homestead entry than for the protection [sic] of native grasses and forage plants and accordingly the land is opened to entry." A specific condition of the entry was "Submission to the Manager, Land Office, Reno, Nev., within 30 days of receipt of this notice, evidence of filing of a water permit application with the state engineer, Carson City, Nev., for the lands allowed. Failure to submit such evidence will subject this allowance to cancellation." Stewart complied with the condition.

Stewart thereupon took possession of the 120 acres, built a house, dug a well, developed the spring, built a small reservoir, cleared and cultivated land and made other improvements. On January 14, 1959, Stewart filed his "Homestead Entry Final Proof" alleging that he had cleared and cultivated 15 acres in 1956–57 and 5 acres more (20 acres total) in 1958, on which he had raised potatoes, sweet potatoes, onions, and peanuts, and that he had constructed improvements at a cost of $3,970. Land examiners of the Bureau of Land Management examined the land and made an adverse recommendation which resulted in the initiation of a Government contest to the application for patents (43 CFR, Part 222). The contest complaint alleged:

"That the cited regulations require that 'during the second year not less than one-sixteenth of the area entered must be actually cultivated, and during the third year and until final proof, cultivation of not less than one-eighth must be had'; and that for homestead entries on lands which are desert in character, there must be an available developed water supply sufficient to irrigate the acreage required to meet the cultivation requirement of the homestead laws.

"That the designated contestee has not cultivated the required one-eighth of his entry, nor has he developed sufficient water to irrigate the required acreage of his homestead entry, Nevada 016595."

Stewart denied the charges and an administrative hearing was held April 5, 1960, before Hearing Examiner John R. Rampton, Jr.

At the outset of the hearing, Stewart moved that all charges relative to the insufficiency of water be dismissed upon the ground that the general Homestead Act, under which the entry was made, as distinguished from the Desert Land Act, required no proof of water, an issue which had been determined by the classification order of March 14, 1955. Decision on the motion was reserved and the hearing proceeded.

The decision of the examiner was filed August 11, 1960, and the adverse proceedings were dismissed. The examiner held (1)

under 43 U.S.C. 164, and 43 CFR, part 166, governing homestead entries, no proof of water is required and this issue was foreclosed under the classification order of March 14, 1955, although the order may have been improvidently entered; and (2) the Government had the burden of proof and it had not proved its charge that less than one-eighth of the entry (15 acres) had been cultivated by Stewart as required by the homestead laws and regulations. The Government appealed the decision of the hearing examiner to the Director of the Bureau of Land Management. CFR 222.13, 222.47, et seq.

On April 11, 1961, the Director reversed the decision of the examiner.[1]

Now it was Stewart's turn to appeal, and he did so to the Secretary of the Interior. CFR 221.73, et seq. On September 25, 1962, the Assistant Solicitor, acting for the Secretary, affirmed the Director's decision upon different grounds.[2]

The Secretary's decision is based upon an extensive analysis of the testimony and exhibits concerning the area cultivated by Stewart from 1956 to 1959.

Thereafter, Stewart filed this action for review of the administrative proceedings and final agency action (5 U.S.C. 1009).

PARTIES

This action seeks review of a final decision by the Secretary of the Interior and prays for a reversal of his decision dated September 25, 1962, and of the Director's decision dated April 11, 1961. It also seeks to enjoin the named defendants from carrying out a threatened eviction of Stewart from the premises embraced within the homestead entry upon the grounds that the decision of the Secretary is against the law and the evidence. The only named defendants are Gordon Penny, described as manager of the Reno, Nev., land office, Bureau of Land Management, U.S. Department of the Interior, and Dante Solari, described as district manager, Bureau of Land Management, U.S. Department of the Interior.

In their answer, the defendants alleged that the Secretary of the Interior is an indispensable party defendant. This is theoretically true, inasmuch as it is his final action which is being reviewed. The Court, nevertheless, clearly has jurisdiction to restrain threatened illegal action by subordinate officials of the Bureau of Land Management, the propriety of which rests upon the Secretary's decision. *Adams* v. *Witmer* (9 CCA 1958), 271 F. 2d 29.

Under 28 U.S.C. 1391(e), the Secretary might have been named a defendant in this action. In their pretrial memorandums, neither party referred to a defect of parties as an issue of law remaining in the case. Defendants have been represented throughout this case by the special attorneys in the Lands Division of the Department of Justice in the same manner as if the Secretary of the Interior had been a named defendant. The briefs to this Court have not mentioned a defect of parties. We conclude that any defense of defect of parties has been waived and this Court has jurisdiction to review the administrative proceedings and final agency action. To hold otherwise would be to substitute form for substance.

SCOPE OF REVIEW

The Government has filed an excellent brief in which it argues, in part, that the decision of the Secretary finding noncompliance with the statutory requirements for valid homestead entry is conclusive and

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[1] Director's decision, Apr. 11, 1961:

"The evidence was conflicting as to whether the entryman had cultivated one-eighth of the land embraced in his entry as required by the Homestead Act, 43 U.S.C. 164. It is clear that because of lack of water, rodents and general poor husbandry the entryman has been plagued by crop failures and has not been successful in raising crops to fruition. The evidence is clear that the water now available to the homestead is but sufficient to irrigate about one-half acre thereof.

"The gravamen of this appeal is that the requirement of the cited regulation, 43 CFR 296.4, is a continuing one and since the entryman has insufficient water for the irrigation of 15 acres that his final proof is not satisfactory and that the entry must be canceled.

"At the outset we must note that the allowance of this entry in 1955 without requiring the entryman to show a water right sufficient to cultivate at least one-eighth of the land in the entry, or 15 acres, was erroneous. However, the fact remains that the entry was allowed under the general homestead laws. Thereafter, in order to establish his right to patent, the entryman is required to show compliance only with the pertinent provisions thereof, 43 U.S.C. 164 and the applicable regulations, 43 CFR, part 166.

"Nowhere in the statute or regulations is an entryman required to show that he has successfully raised a commercial crop; he is required to show an 'actual breaking of the soil, followed by planting, sowing of seed, and tillage for a crop other than native grasses.' 43 CFR 166.23. However, improvements on the entry 'should be of such character and amount as are sufficient to show good faith.' 43 CFR 166.24. Evidence of good faith is a prerequisite to the earning of patent to a homestead. See *United States* v. *Cooke*, 59 I.D. 489, 504–505.

"The charge as made, although not in any wording of the statutory provisions, is sufficient to put in issue the good faith of the entryman.

"The testimony of the Government land examiners was to the effect that some acreage had been cleared. This was found by the hearing examiner to be in excess of 15 acres. The Government witnesses stated that they found only 1½ to 2½ acres cultivated as compared to that which was cleared. The entryman's evidence was to the effect that he had cultivated more than the minimum 15 acres but because of lack of water, rodents and general poor husbandry his attempts at successfully raising a crop over the 15 acres were dismal failures.

"Surely, after once attempting to raise a crop the entryman was fully aware that further plantings, without the benefit of irrigation, would be abject failures. Even at the very moment of entry, he knew that any attempt at cultivation would be a failure unless he was able to and prepared to irrigate. Yet notwithstanding this knowledge he set about to create but an illusion of compliance with the positive mandates of the homestead law in regard to cultivation—knowing full well that such attempts at husbandry were foredoomed to disaster. And knowing that water was necessary for a successful operation it is indicated that no attempt was made to make water available to the homestead. This leads but to the conclusion that the entry including the maintenance thereof, although in ostensible compliance with the mandates of the homestead laws, lacks the good faith which is the primary ingredient for compliance therewith. Clearly, the character and amount of cultivation notwithstanding the amount of the cleared acreage wholly fails to satisfy the requirement of good faith on the part of the entryman. When viewed in this light, the evidence falls far short of demonstrating that the entryman complied with the cultivation requirements of the homestead law.

"Accordingly, the hearing examiner's decision is reversed and the entry is canceled."

[2] Secretary's decision, September 25, 1962:

"The ultimate question to be decided on this appeal is whether the homestead entry was properly canceled. Whether the land is, in fact, desert in character and whether the Secretary may allow a homestead entry on desertland are not in issue at this time. If the entryman had fully complied with the requirements of the homestead law, the cancellation was improper. If he had not complied, it was proper. He was charged with failing to cultivate one-eighth of the entry. The appeals officer did not decide whether the clearing, working of the soil and planting, which the entryman claimed to have done, extended to the required 15 acres of the entry but pointed out that, if so, the entryman failed to meet the cultivation requirement of the homestead law because he did not have a supply of irrigation water sufficient to support an inference that his efforts were calculated to produce profitable results considering the physical environment in which they were made and thus were not made in good faith.

"I think it is clear that a homestead entryman may not prove compliance with the cultivation requirement of the homestead law merely by showing that he broke the soil and planted something. If this were sufficient, homestead patents would be issued to entrymen who had gone through these motions on land suitable for the opening of a gravel pit and perhaps sought for that purpose. The different processes which comprise cultivation of the soil must include such acts and be done in such manner as to be reasonably calculated to produce profitable results. Charles Edmund Bemis, 48 L.D. 605 (1922). Therefore, if the land is arid or semiarid, cultivation which will meet the cultivation requirement of the homestead law must, of necessity, include the application of such amounts of water as may reasonably be required to produce a crop.

"In this case, the finding of the appeals officer that Stewart did not meet the cultivation requirement of the homestead law because of his failure to develop an adequate water supply rests upon an implied finding that irrigation is an indispensable element of the cultivation of the land in the entry. The fact that it seems to have been regarded as desertland when the entry was allowed is some evidence of the necessity of irrigation. The entryman's efforts to bring spring water to his garden and his application of it to the garden and, to some extent apparently, to sowings of rye outside the garden area constitutes some additional evidence. But the record suggests that some of the land may have needed only supplemental water, in addition to subsurface percolation from the spring or fault area to which Stewart's supply pipe extended, to permit successful cropping. Certainly it is doubtful that there was an adequate water supply for even a limited need for water, on one-eighth of the homestead entry. But I do not find that any of the crops planted died for lack of water. Hence, I am unable to find, on the basis of the evidence adduced at the hearing, that there was a total want of the type of cultivation reasonably calculated to produce profitable results. If this were the only pertinent factor in the case, it would be necessary to remand the case for the taking of further evidence. However, I believe that this is unnecessary since, after a careful examination of the evidence, I am obliged to conclude that the entryman did not apply the processes of cultivation which he employed to the required one-eighth of the acreage of the entry so that he failed to meet the cultivation requirements of the homestead law for this reason."

binding upon the courts,[3] citing *Boesche* v. *Udall*, 1963, 373 U.S. 472; *Best* v. *Humboldt Mining Co.*, 1963, 371 U.S. 334; *Cameron* v. *United States*, 252 U.S. 450. We recognize the peculiar and specialized knowledge of the officials of the Department of the Interior respecting the interpretation of the multifarious laws and regulations relating to public lands, and that Congress has entrusted the guardianship of the public domain to the Department of the Interior. We have relied upon that knowledge and expertise in reaching our conclusions. We cannot, however, accept without limitation a contention that a high administrative official in Washington, D.C., is better qualified than others to analyze and draw conclusive fact inferences from a cold record produced at an evidentiary hearing 3,000 miles away and relating to physical conditions with which he has questionable familiarity, conditions normally deemed to be within the realm of judicial notice. We deem the correct rule of judicial review to be that enounced in *Foster* v. *Seaton*, 1959 App. D.C., 271 F. 2d 836: "Thus the case really comes down to a question whether the Secretary's finding was supported by substantial evidence on the record as a whole." This is the only rule of judicial review which will breathe vitality into the mandate of Congress (Administrative Procedure Act, 5 U.S.C. 1009(e)) that the reviewing court shall "hold unlawful and set aside agency action, findings and conclusions found to be (1) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law; (4) without observance of procedure required by law; (5) unsupported by substantial evidence in any case subject to the requirements of sections 1006 and 1007 of this title or otherwise reviewed on the record of an agency hearing provided by statute."

The omnipotence of the Department of the Interior as guardian of the public domain is exhibited when the Department acts affirmatively and grants patents under the public land laws. The converse is not true. An entry or application for patent which is contested or rejected by the Secretary presents issues regarding the legal rights of the entryman under the public land laws. These are rights established by Congress which the Secretary of the Interior may not arbitrarily or capriciously ignore and which must be determined within the due process safeguards of the Administrative Procedure Act.

Subordinately, the Government argues that the hearing held on Stewart's application was not a hearing required by statute within the meaning of the Administrative Procedure Act and that the act, therefore, does not apply. This we cannot accept. The Administrative Procedure Act applies to "each authority of the Government of the United States," not expressly excepted (5 U.S.C. 1001). *Adams* v. *Witmer* (9 CCA 1958), 271 F. 2d 29, is direct authority for its applicability to the Secretary of the Interior.

QUESTION OF ADEQUATE WATER

Stewart's final proof was contested upon the ground that "he had not developed sufficient water to irrigate the required acreage." No such requirement is found in the Homestead Act (43 U.S.C. 162–4), or regulations (43 CFR pt. 166). Stewart's initial application was properly treated as a petition for reclassification of the lands described and the Land Office acted within the regulations in classifying the lands, which were desert in character, for entry under the general homestead laws (43 CFR pt. 296).[4]

In a well-reasoned discussion, the hearing examiner concluded that "once an applicant for a homestead entry has made a showing of a water right sufficient to justify a classification that the land is suitable for such entry and his entry is allowed, then the requirements of the homestead laws as set forth in 43 C.F.R. 166 govern and the Bureau of Land Management is precluded from again questioning the sufficiency of water." This conclusion was affirmed in the decision of the Director of the Bureau of Land Management who said:

"At the outset we must note that the allowance of this entry in 1955 without requiring the entryman to show a water right sufficient to cultivate at least one-eighth of the land in the entry, or 15 acres, was erroneous. However, the fact remains that the entry was allowed under the general homestead laws. Thereafter, in order to establish his right to patent, the entryman is required to show compliance only with the pertinent provisions thereof, 43 USC 164 and the applicable regulations, 43 CFR, part 166."

The Secretary impliedly agreed, holding:

"Whether the land is, in fact, desert in character and whether the Secretary may allow a homestead entry on desertland are not in issue at this time. If the entryman had fully complied with the requirements of the homestead law, the cancellation was improper. If he had not complied, the cancellation was proper."

We not only accept the administrative expertise in the interpretation and application of the Secretary's own regulations, but we believe the record cries for affirmance of these conclusions. Any other holding would be a fraud on the entryman, to whom it had been represented by knowledgeable local officials of the Bureau of Land Management after investigation and classification that the 120 acres were suitable for entry under the homestead laws. Such a finding represented final agency action unless appealed. 43 CFR 296.9. This interpretation of the intent of the regulations applicable to this entry is confirmed by the more explicit regulations since promulgated (43 CFR pts. 2410, 2411, secs. 2411.2, 2411.4, Apr. 1, 1964, supplement). The administrative file in evidence shows that on April 9, 1955, Stewart wrote a letter to the Reno office of the Bureau stating that he had filed for a water right as required by the classification order of March 14, 1955, and requesting:

"Will you please send me complete literature on the rules and regulation governing the proving up of homesteads." The pencil note on the letter is, "file ltr in case—send: Hd Circ." From this we infer the request was answered by sending the homestead circular, that is a reprint of parts 166–169 of the regulations then in effect; i.e., the regulations governing homestead entries. As noted, these regulations contain no specific requirement with respect to water. We have considered *Boesche* v. *Udall*, 1962, 373 U.S. 472, in which the Supreme Court sustains the right of the Secretary to reconsider and cancel an entry illegally allowed in the first instance. We believe it inapplicable to these facts. There the issue arose because of conflicting applications for the same land, and the administrative remedies were timely invoked by the rejected applicants. Thus the issue of the legality of the contested oil lease was presented on direct review in a private contest. In our case, no Taylor Grazing permittee or other person having a right to use or enter upon the lands embraced in the homestead application contested the classification order of March 14, 1955, or appealed therefrom, and the order and finding that the land was suitable for entry under the general homestead laws attained the status of final agency action. The Secretary correctly concluded as a matter of law that the adequacy of water is not an issue in this case.

GOOD FAITH

The Director of the Bureau placed his decision of April 11, 1961, upon the ground that the applicant had not shown good faith (footnote 1). This was not an issue presented by the contest complaint. The Secretary discarded the issue of good faith, saying:

"Hence, I am unable to find, on the basis of the evidence adduced at the hearing, that there was a total want of the type of cultivation reasonably calculated to produce profitable results. If this were the only pertinent factor in the case, it would be necessary to remand the case for the taking of further evidence. However, I believe that this is unnecessary since, after a careful examination of the evidence, I am obliged to conclude that the entryman did not apply the processes of cultivation which he employed to the required ⅛ of the acreage of the entry so that he failed to meet the cultivation requirement of the homestead law for this reason."

The good faith requirement stems from 43 U.S.C. 162 requiring the applicant to make oath "that such application is honestly and in good faith made for the purpose of actual settlement and cultivation, and not for the benefit of any other person, persons or corporation, and that he or she will faithfully and honestly endeavor to comply with all the requirements of law as to settlement, residence and cultivation necessary to acquire title to the land applied for." These basic requirements, with some elaboration, are restated in the regulations (43 C.F.R. 166.18). An appropriate statement of the meaning of

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[3] Quotation from Government's brief:

"In providing for disposition of the public domain under the generous provisions of the Homestead Act, the Congress made a number of specific requirements. One of these, the sole point involved here, is the requirement that a homestead entryman 'cultivate not less than one-sixteenth of the area of his entry, beginning with the second year of the entry, and not less than one-eighth, beginning with the third year of the entry and until final proof.' 43 U.S.C. 164. Thus, the final proof that an entryman files, as the basis for an application for patent, must establish that the requisite cultivation has been effected. Whether this is true or not, i.e., whether the proper areas were cultivated, is a pure question of fact. If the Secretary accepts the proof, a patent will issue. However, the Secretary is the guardian of the public domain and the administrative officer who must, by law, determine whether the congressional directives have been complied with. If, as in this case, he concludes in the first instance that the issue is questionable, he will proceed under the contest provisions of 43 CFR 1852.2–1 (formerly 43 CFR 221.67). The sole point of such a proceeding is to give the entryman an opportunity to establish that he has complied with the requirements of the law. If he has not, the Secretary is not authorized to issue a patent. More importantly, however, the finding of fact on this point is one within the exclusive authority of the Secretary. This is not open to question."

[4] "§ 296.4. Classifications of irrigable land for homestead entry. Public lands which are desert in character within the meaning of sections 2 and 3 of the desertland law (act of March 3, 1877, 19 Stat. 377, 43 U.S.C. 322) and are subject to classification under section 7 of the Taylor Grazing Act may, on the filing of an application under the general homestead laws, be classified for entry under these laws, provided the applicant makes a satisfactory showing that the land is susceptible of successful cultivation by irrigation and that the cultivation requirements of the homestead laws will be met. The applicant in such a case will be required to furnish satisfactory evidence of a water right and plans of irrigation. The available water supply, and the plan of irrigation, however, need be sufficient only to enable the applicant to meet the cultivation requirements of the homestead laws."

good faith in this context is found in *Carr* v. *Fife* (CC Wash. 1891), 44 F. 713:

"* * * whether he (the applicant) had actually, within the time limited by law, established his residence upon the land, with the intention of acquiring it for a home; whether he had continued to actually reside upon the land; whether he was really engaged in improving the land, or in good faith intending to do so; or whether he was only making a colorable pretense of residing upon and improving the land for the purpose of stripping it of its valuable timber, and acquiring it for speculative purposes, without complying with the terms of the homestead law."

The words "colorable pretense" and "speculative purposes" are operative and characterize the meaning of good faith in fulfilling the specific requirements of residence and cultivation under the homestead law. They refer to the intent and motive of the applicant.

In the light of what Stewart did on the land, it is inconceivable to this Court that there could be found the slightest semblance of an issue of good faith. He moved onto the entry with his wife and son, constructed a homesteader's house of three rooms, and lived there continuously to filling of final proof. He cleared over 15 acres, cultivated the land, developed a spring, constructed a small reservoir, conducted the water from the reservoir to the cleared land by installing approximately 2,200 feet of metal pipeline, and purchased and used three pressure pumps and some 1,800 feet of plastic hose pipe to irrigate the land by use of sprinklers. He dug a well near his residence, constructed other outbuildings, brought electric power to the property, and had a new home under construction at the time of final proof. He was 78 years old when final proof was filed, about 4 years after homestead entry was approved. There is not the least intimation that the land is valuable for anything other than grazing and agriculture, so there is no basis for speculating about "speculative purposes."

In *United States* v. *Cooke*, 59 I.D. 489, cited by the Director, the Secretary, in an exhaustive opinion dealing primarily with the good faith of a questionable residence, reversed the Commissioner and sustained the homestead entry on the premise that all that the entryman did "indicated purpose, determination, industry and good faith." This is true of Stewart. In *Helen E. Dement*, 8 L.D. 639, the Secretary again sustained a homestead entrywoman, stating: "It is right and proper to take into consideration the degree and condition in life of the entryman in determining whether the improvements show good faith." Citing the Dement case, the Department, in *Kendrick* v. *Doyle*, 12 L.D. 67, held:

"In the former contest it does not appear that there was any question about the house being on the land. This entryman is 66 years old and in infirm health and poor. He has made his living by raising goats and chickens on the land; he keeps from 25 to 50 goats on the tract. His improvements cost him about $100.

"In the case of *Mary A. Taylor* (7 L.D. 200), the proof showed no breaking of the land, but some cutting of grass for hay, and that the land was principally used for pasturage and that the entryman did not take the land for the purpose of tillage. It was said:

"'It [the proof] further shows that said tract is illy adapted for tillage and the raising of grain or other agricultural crops requiring the breaking and cultivation of the soil. But raising stock and grass is an agricultural pursuit, etc.'

"The entry was passed to patent.

"In *Helen E. Dement* (8 L.D. 639), it was said:

"'It is right and proper to take into consideration the degree and condition in life of the entryman in determining whether the improvements show good faith.'

"If it should be admitted that all the contestant claims is true, it would show the entryman, acting in good faith, built his house a little outside of the lines of his land, by a mistake that anyone might have made; that he has maintained continuous residence and done the best he could, under the oppression and trespassing of the contestant and those acting in harmony with him, to make a living on the land and maintain his home there, and taking the case as it stands, I cannot concur in your findings and judgment.

"Your decision is therefore reversed, and the contest dismissed."

That the homestead laws should be liberally applied in favor of the entryman is established by law and is not a matter of the whim or predisposition of the particular Secretary of the Interior who graces the office. The Supreme Court of the United States has established the principle. *Ard* v. *Brandon*, 1895, 156 U.S. 524:

"The law deals tenderly with one who, in good faith, goes upon the public lands, with a view of making a home thereon. If he does all that the statute prescribes as the condition of acquiring rights, the law protects him in those rights, and does not make their continued existence depend alone upon the question whether or no he takes an appeal from an adverse decision of the officers charged with the duty of acting upon his application."

In *Clements* v. *Warner*, 1861, 24 How. 394, the Court said:

"The policy of the Federal Government in favor of settlers upon public lands has been liberal. It recognizes their superior equity, to become the purchasers of a limited extent of land comprehending their improvements, over that of any other person."

We cannot find in this record a scintilla of evidence pointing to lack of good faith.

ACREAGE CULTIVATED

On the issue of the acreage cultivated, the hearing examiner stated that he could not find that 20 acres were cultivated, as alleged by contestee Stewart, but that "neither can I find that less than one-eighth of the entry (15 acres) was cultivated as alleged by contestant." The examiner then volunteered the opinion that the burden of proof was on the Government. We do not agree. The Administrative Procedure Act imposes the burden of proof on "the proponent of a rule or order" (5 U.S.C. 1006(c)). In our case, Stewart's Homestead Entry Final Proof, filed January 14, 1959, was an application for patent. Procedurally, the contest complaint filed by the Department was, in effect, an answer to the final proof affirmatively specifying the alleged deficiencies. Procedure by way of a contest complaint is justified because the final proof is not in the form of a pleading and does not lend itself readily to a definition of issues by answer thereto. The procedural regulations then in effect (43 CFR 221.73, 1961 Regulations) provided that on a hearing of a Government contest, the contestant would first present his case. It does not follow therefrom that the burden of proof is on the Government. The correct rule is stated in *Foster* v. *Seaton*, 1959, 271 F. 2d 836, involving a mining claimant. The reasoning there expressed is equally applicable to a homestead entryman. The true proponent of the rule or order is the applicant for patent or other right to public lands claiming compliance with the public land laws. The Government "bears only the burden of going forward with sufficient evidence to establish a prima facie case, and the burden then shifts to the claimant to show by a preponderance of the evidence that his claim is valid."

The Director, in his decision, interpreted the examiner's finding with respect to acreage cultivated as a finding that in excess of 15 acres had been "cleared." This Court considers it a finding, negatively expressed, that 15 acres had been cultivated.

The Secretary deliberately restricted his reasons for affirming the cancellation of the entry to the finding: "The entryman did not apply the processes of cultivation which he employed to the required one-eighth of the acreage of the entry." This is the finding of the final agency authority which is subject to judicial review. If arbitrary and unsupported by substantial evidence and not in accordance with law, the decision based on the finding should be reversed.

The finding is based upon a very thorough and careful analysis of the testimony and surely is not arbitrary in the sense of being capriciously made without due consideration of the evidence. The finding, nevertheless, in our opinion, is unsupported by the evidence and was made without regard for the governing principal that the homestead laws should be liberally interpreted in favor of the entryman.

Most of the State of Nevada is rough, hard, dry country. Water is in short supply. The reclamation of this land for agricultural use is not easy, and the area here in question is of the kind described. The "processes of cultivation" which this entryman employed were suitable to the homestead. He intensively cultivated from one to two acres near his house, growing corn, potatoes, strawberries, sweet potatoes, peanuts, and onions. He brought water to the area by pipeline and plastic hose for the irrigation of the produce. He cleared an additional 13 to 14 acres adjoining the garden plot and from 1 to 3 acres near the north boundary of the homestead. These areas he plowed, seeded to rye, harrowed, and irrigated, by hose and sprinkler, to the extent of his capacity and the resources available. On a portion of the land, he left windrows of sagebrush to stay erosion by prevailing winds, which were subsequently removed by bulldozer in 1958 and 1959.

The adequacy of the acreage involved in this activity is not open to substantial doubt. It was surveyed by a licensed civil engineer, a witness for Stewart, who surveyed 15.2 acres of cleared land in the larger parcel and 3.1 acres in the smaller. A registered surveyor for the Bureau of Land Management surveyed and located the boundaries of the 120-acre homestead entry and prepared a map (exhibit R) on which he accurately located the reservoir, road, pipeline, well, houses, and other improvements on the property, and the elevations and contour lines. The Government surveyor did not testify. The map he prepared did not show the boundaries of the cleared area. These boundaries were superimposed thereon in pencil by a Government land examiner who had used the "pacing" method of estimating boundaries and distances and estimated 12.5 acres in the larger cleared area and 1 acre in the smaller. The actual survey by a registered civil engineer must be given credence over an estimate of acreage based on pacing distances and boundaries.

Stewart testified by reference to an aerial photograph of the farm. It is true, as suggested by the Secretary, that there is some distortion of distances because of the perspective. Nevertheless, the cleared areas are obvious on the photograph, and are, by comparison, the same cleared acres surveyed by Stewart's surveyor. Stewart, by reference to the photograph, showed that he had cultivated and planted rye on over half the cleared area in 1956 and planted rye on the whole cleared area in 1957 and 1958. Mrs. Stewart testified that all the cleared area was in rye for the last 3 years. This testimony clearly supports a finding that the entryman did apply the processes of cultivation which he employed to the required one-eighth (15 acres) of the acreage of the entry.

The Secretary relied heavily upon the failure of other witnesses to testify positively to cultivation of the entire cleared acreage. In our view, their testimony strongly corroborates that of Mr. and Mrs. Stewart with respect to the employment of processes of cultivation on the homestead entry. It should not be expected that they could testify to a specific number of acres, or that they saw a crop growing on the entire area. Their testimony is not inconsistent with Stewart's claim of having plowed, seeded and harrowed the whole field. On the contrary, the testimony corroborates his claim to the extent that the witnesses did see, observe, and remember. The presence of brush windrows on a portion of the land, later removed, does not detract from the cultivated area. Such windrows may be considered an aid to cultivation and were one of the processes of cultivation employed by the entryman. The careful analysis of the testimony made by the Secretary demonstrates that there is no substantial evidence to support a finding that the entryman did not apply the processes of cultivation which he employed to one-eighth of the entry.

The fact that Stewart's rye crop failed because of freezing, depredations by mice, rabbits, and other rodents, and invasions of ranging livestock (the entry was unfenced) are irrelevant to this inquiry, except insofar as they account for the inability of some of the witnesses to see evidence of a rye crop at different periods of observation.

Conclusion

We have related the administrative history of this case at some length. The varying approaches to decision adopted in the administrative heirarchy seem to us to stem from a basic feeling that the area was not properly classified for homestead entry. This may or may not be so. Perhaps it would have been more prudent to classify less than the entire 120 acres covered by the amended application as suitable for homestead entry. Once the entry was allowed, however, all the entryman had to do was comply with the statutory requirements to be entitled to patent. The photographs, maps, and testimony prove that he did so, taking into consideration "the degree and condition in life" of the entryman and the obstacles of nature and environment with which he contended.

The foregoing opinion dispenses with the need for separate findings and conclusions (F.R.C.P. 52). Plaintiff will prepare and submit an appropriate form of decree within 10 days.

Dated: February 26, 1965.

BRUCE R. THOMPSON,
U.S. District Judge.

PHYSICAL FITNESS—ROPE EXERCISE

Mr. McGEE. Mr. President, the medical profession has long realized that man be treated as a whole animal; that it does little good to apply specific remedies for his diseases and malfunctions if the entire body is not in a general state of good health. And those who study the means of establishing and maintaining good health have become convinced that for the normal human being, exercise is essential. It has become painfully evident that in our motor-driven, electrically controlled society a great many citizens do not get enough exercise to maintain good health.

Indeed, Mr. President, the situation became so alarming that the late President Kennedy established the President's Council on Physical Fitness, to survey the situation and to recommend the steps necessary to reestablish exercise as a part of the American way of life. The preliminary investigations by the Council brought to light some rather saddening statistics, for it was discovered that not only are a great many adults overweight and underexercised, but a great many of our children cannot pass simple tests of physical fitness. So now we find ourselves in the sad situation, not of losing the physical conditioning of our youth, but of never having attained that condition in the first place. The effect this state of affairs has had upon our youth is a source of great concern to those in our Armed Forces and to those who are trying to promote the general physical health of the Nation. It has become obvious, beyond doubt, that the American public must be lured away from the television set long enough to keep itself in good physical shape.

The real problem is finding a means, acceptable to the majority of the public, for obtaining the necessary exercise for physical fitness. For a small percentage of the population—those engaged in active sports or physically strenuous occupations, nothing is needed. But most of us are hard pressed to find the time for a physical fitness program, or are not attracted to the traditional mass exercises, which our British cousins quite aptly call "physical jerks." Not many of us can find the willpower, much less the time, to don a sweat suit and to do a few laps around the block and 30 minutes of vigorous exercise. There is no doubt that this can be done. There is even a small minority of the Members of this body who pursue a vigorous physical-fitness program; but my point is that they are a small minority. What is needed is something that almost everyone, regardless of age, sex, shape, or inclination, can and will use.

So, Mr. President, I was delighted to be informed, recently, that in my hometown of Laramie, Wyo., a progressive and aggressive firm is now engaged in the distribution of a physical exercise system that I believe can be of great benefit in developing physical fitness. This system is suitable for all ages and both sexes. It requires no elaborate equipment or special clothing. It is portable, and is simple to use. In fact, the only piece of equipment involved is an 8-foot nonstretchable rope with flexible plastic handles. This system is called isometric rope exercise. It is based upon the fact that contractions of a muscle can produce an improved condition in that muscle, without the violent and vigorous movement usually associated with exercise. I may add that these isometric rope exercises not only greatly improve strength and muscle tone, but also very often bring about a sizable weight loss.

These exercises are not mentioned here in the hope that the Congress of the United States will undergo a radical transformation by eliminating all the 97-pound weaklings in our midst, for ardous physical chores are not associated with our jobs; but I am suggesting that in view of the pace we are now setting in space-age America, the job of keeping up with our responsibilities does not allow us the luxury of soft bodies that break down under the stress and strain to which we are subject.

Mr. President, through the generosity of the distributor, Ideas, Inc., of Laramie, Wyo., the Wyoming congressional delegation is pleased to distribute to each Member of Congress an isometric rope exercise kit. This kit consists of the rope exerciser, a manual explaining how it is to be used, and a wall chart to demonstrate some of the basic exercises.

Both my colleague, the Senator from Wyoming [Mr. SIMPSON] and I have been much impressed with the potential for good health that exists in this simple system, which can benefit every member of the American family. I hope that it will be used by the Members of this body in good health.

Mr. President, this system was developed by a well known authority in physical education, Don W. "Tuffy" Mullison, assistant professor of physical education at Colorado State University. Professor Mullison has written an article in which he describes how he developed this system and gives the scientific details on how it works. I ask unanimous consent that the article be printed in the RECORD at the conclusion of my remarks.

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

PHYSIOLOGICAL REASONS FOR ISOMETRIC ROPE CONTRACTION

INTEREST

I became interested in isometric contraction after being introduced to it primarily through reading information sent out by Bob Hoffman of Health and Strength magazine concerning football isometric training and accomplishments of certain weight lifters and track and field performers in increasing their performances in individual events. I have always attributed some of my own personal strength to a concentrated effort in a form of static contraction while attending high school; consequently, I became interested in learning more about this form of training called isometric contraction.

While supervising a gym class at Colorado State University this spring, I picked up a piece of twine about 6 feet long tied together and with it I began trying a few isometric contractions. I began to wonder why this form of exercise could not be beneficial to almost everyone. This piece of twine led to a rope and eventually the rope I am now calling the isometric rope and a group of contractions called the isometric rope exercises. This is a group of exercises performed with a rope designed to contract basically all of the muscles used in moving the levers of the body. Much time and effort went into these exercises as I became convinced this system had a tremendous potential for physical fitness. I personally, in working isometric contractions with this piece of rope, had tightened flabby muscles, gained amazing strength, and lost some aches and pains I had been living with for some time. I also noticed some weight loss as I experimented with these exercises. As this happened I began to ask myself questions concerning why these contractions affect a person as they do.

In reading, I found that Perry Radar, the editor of Iron Man magazine, reported that weight lifters using isometric contraction remarked that their old aches and pains seemed to be leaving them and that they felt like a million dollars, with a new spring in their step and a zest for living. One thing that everyone seems to notice is how alert, alive, and good they feel after a workout. Bob Hoffman of Health and Strength maga-

zine, advocates an isometric power rack for offices and feels that 1 minute a day on isometric power rack contractions can build strength, slenderize individuals, improve posture, aline and strengthen the back, and make everyone look like an athlete. The only trouble is that isometric racks require space, are bulky, cost money, and are pretty stationary. The isometric rope is probably an answer to this problem as it is cheap, portable, and can be used anywhere.

THE MEANING OF ISOMETRIC CONTRACTION

What does isometric contraction mean? the prefix "iso" means the same; "metric" refers to length. The word in total means no change or equal. In an isometric contraction a muscle acts upon a lever to move an overload. "Nothing moves, yet a great amount of energy is expended. In this type of contraction there is no change in the length of the muscle but there is a sharp augmentation of tension." [1]

PHYSIOLOGY OF ISOMETRIC CONTRACTION

In an isometric contraction the maximal contraction of the muscle is achieved when the strength of the stimulus is enough to stimulate the least irritable muscular units, thereby involving the entire muscle in the response. "Muscle fibers respond in an all-or-nothing response. In other words, a single muscle fiber responds maximally or it does not respond at all. Different fibers possess different thresholds, thus, if a weak stimulus is applied to a muscle, only those with very low thresholds will be activated. Obviously, the more fibers that are active, the greater will be the force of contraction of the whole muscle." [2] It appears that isometric contraction aids in lowering the threshold of muscle fibers and through continued stimulus effort the individual brings a maximum amount of muscle fibers into use. Actually to lift a piece of chalk will require the maximum contraction of a few units of muscle, to lift a 100-pound weight will require the maximum contraction of many units of muscle, to exert an isometric contraction against an immovable overload all of the muscle fibers that the individual can stimulate come into maximum contraction. "Isometric contractions are rarely undertaken voluntarily since no mechanical work is achieved. Although the muscle does no work it liberates energy in the form of heat. This heat causes a rise in body temperature which increases capillary volume and pressure." [3] This liberation of heat also seems to have an effect on reducing excess body weight. Observation of persons performing isometric exercise indicates that the whole body is involved in the effort. "Palpation and electromyographic exploration of the activity of readily accessible muscles during the effort confirm the visual observations that there is a general increase in tone of most of the skeletal muscles of the entire body. Fatigue of this effort appears early, and a definite period of rest is required before an equal contraction can be performed again." [4]

"Oxygen debt is about 40 percent greater in isometric exercise and the oxygen income is around 20 percent less during isometric exercise; and the debt-income ratio is much larger for isometric exercise; especially for the greater loads." [5] Respiration rate increases after exercise to recover the oxygen debt. "The high carbon dioxide acts directly upon the inspiratory center, spurring it to greater activity and thus augmenting ventilation." [6]

In trying to answer some of my own questions concerning this system of exercise, blood circulation came into the study. "The number of capillaries in a muscle actually can increase by 50 percent as the result of exercise. It was found that in guinea pigs that there was actually a multiplication of the number of capillaries to roughly 50 percent of what was present before." [7] Also these would disappear within 90 days if the exercise was discontinued. "In contraction the contracting muscles increase the blood flow by a pumping action. The compression empties the veins which soon fill as the pressure on them is released. Because of the one-way action of valves, the blood cannot flow in a direction away from the heart; it flows only toward the heart." [8] This contraction also keeps the arterial blood from coming into the muscle, consequently there is no immediate circulatory strain placed on the heart. "However, when the muscles become active their blood supply is increased, often 4 or 5 times that of the resting supply. Muscular activity itself stimulates different nerves, which stimulate the vasodilator center, thereby increasing the local blood supply." [9] It also increases adrenaline into the blood stream which stimulates heart action and increases vasoconstriction in the skin." [10] I noticed that the heart rate increases very little immediately after rapid isometric contractions of a violent effort. In explaining this, the constriction of the muscles cutting down the arterial supply plus the emptying of the veins causes little strain on the heart. "Heart rate and blood pressure increase but to a much lesser extent than in isotonic work of similar degrees of exertion." [11] Through the exertion of contraction carbon dioxide is formed. "Carbon dioxide increases and acts directly upon the heart. It tends to slow the heart but at the same time increases the extensibility of the cardiac muscle. It helps to make the heart more efficient by increasing its vigor and therefore its stroke volume, at the same time as it acts as a brake on the heart. Thus the cardiac output remains high with possibly a slightly lower beat. At the same time, all the arterioles in the contracting muscle are wide open because of the local action of the carbon dioxide." [12] Isometric exercise appears to benefit the heart. "Extensive statistical surveys seem to provide strong support for the assumption of an earlier and greater cardiovascular morbidity and mortality among nonexercising individuals, as compared with those in physically strenuous occupations or sports activities continued into their later ages." [13]

Isometric exercise provides a type of exertion which does not cause a rapid increase in heart rate during contractions but speeds up the heart action after the individual is more in a state of inactivity. In fact, tests indicate that three-quarters effort in contractions appear to increase the heart rate more at the time of exercise than complete violent contractions. "In exertion the adrenaline gland secretes epinephrine which tends to increase the vigor of cardiac contraction, dilate the coronary vessels, to encourage peripheral vasoconstriction, and generally to exaggerate the effects of the sympathetic nervous system." [14] After isometric exercise, the increase in circulation to the tissues supplies the tissues with additional fuel and oxygen, disposes of the wastes and restores equilibrium which has a healthful effect on all of the body organs as well as the muscle structure. "The psychological factors and tension of daily living frequently outweigh physical stress in alteration of heart rate, blood pressure, clotting time, and plasma lipids. Physical work protects rather than damages the coronary arteries. With reduction in work and greater leisure time there is appearing an increase in tension and neurotic states." [15] "Emotionally unstable individuals have heightened levels of physiological activity and inferior physical fitness. By stimulating the adrenal glands through exertion the body is more able to combat stress." [16] "Exercise fundamentally throws one into relatively greater sympatheticotonia, out of which a person may not come completely for several hours or even days. In other words, persistent physical training negates some of the poorly rated parasympathetic nervous tendencies, and if not carried too far into over-training develops positive dynamic qualities of psychological value." [17] There seems to be little doubt that the liberation of sympathin produced at the sympathetic nerve endings when exertion takes place aids in reducing certain neurotic tendencies.

STRENGTH GAIN

In reading about isometric contraction a great strength gain seemed to be acquired through this type of exercise. Sports Illustrated reported that Dr. W. T. Liberson in a controlled study at a veterans' hospital in Rocky Hill, Conn., reported strength increases of up to 300 percent on convalescing patients. "Strength output may be doubled in 3 weeks. A few moments of heavy resistance exercise twice a week produces significant gains in strength." [18] It is generally agreed that strength increases when repetitive exercise is performed against heavy resistance and that the slope gradient of the training curve varies with the magnitude of the stress imposed, the frequency of the practice sessions and the duration of the overload effect.

"In one experiment subjects gained up to 161 percent in strength working only 5 minutes a day for 10 days using a heavy load. When the workload was reduced 75 percent and repetitions were quadrupled, no perspective gain in strength was achieved." [19] Another experiment reported a 5-percent strength increase for 10 weeks with a daily 6-second isometric contraction at two-thirds strength. Still another experiment found that the overload principle implies that the

[1] L. L. Langley and E. Cheraskin, "The Physiology of Man," McGraw-Hill Book Co., Inc., 1958, pp. 43–44.

[2] Ibid., p. 45.

[3] S. R. Reidman, "Physiology of Work and Play," Henry Holt and Co., Inc., 1950, pp. 104–105.

[4] L. E. Morehouse, "Physiological Basis of Strength Development," Exercise and Fitness, Library of Congress.

[5] L. L. Langley and E. Cheraskin, op. cit., p. 413.

[6] H. H. Clarke, "Development of Volition Muscle Strength as Related to Fitness," Exercise and Fitness, Athletic Institute, Library of Congress, p. 207.

[7] A. H. Steinhaus, "Lessons from Physiology for Coaches and Athletes," 55th Annual Convention for American Association for Health, Physical Education, and Recreation, Washington, D.C., p. 116.

[8] S. R. Riedman, op. cit., p. 237.

[9] S. R. Riedman, "Physiology of Work and Play," Henry Holt and Co., Inc., 1950, p. 244.

[10] Ibid., p. 248.

[11] L. E. Morehouse, "Physiological Basis of Strength Development," Exercise and Fitness, Library of Congress, 1950, p. 193.

[12] L. L. Langley and E. Cheraskin, "The Physiology of Man," McGraw-Hill Book Co., Inc., 1958, p. 353.

[13] W. Raab, "Degenerative Heart Disease from Lack of Exercise," Exercise and Fitness, Library of Congress, Washington, D.C., 1960, p. 10.

[14] L. L. Langley, and E. Cheraskin, op. cit., p. 354.

[15] E. L. Bortz, "Exercise, Fitness and Aging," ibid., p. 9.

[16] Ibid., p. 8.

[17] T. K. Cureton, "Anatomical, Physiological, and Psychological Changes Induced by Exercise Programs in Adults." Exercise and Fitness, Library of Congress, 1960, p. 177.

[18] L. E. Morehouse, "Physiological Basis of Strength Development," op. cit., p. 195.

[19] L. L. Morehouse and Philip J. Rasch, "Scientific Basis of Training," W. B. Saunders Co., 1958, p. 110.

limits of performance must be persistently extended to improve muscle strength; and the rate of improvement depends to a degree to which a person is willing to overload." [20]

It also seems that the strength increase is not in the amount of repetitions done in training. "A thousand contractions a day can have no effect upon strengths." [21] One contraction per day seems to be a satisfactory stimulus upon the muscle fiber.

"Also the peak of muscular strength is generally attained between the ages of 20 to 30 years of age. However, if training is continued past this age, strength can be maintained at a high level until old age." [22]

WHY STRENGTH?

John Bunn in Scientific Principles of Coaching says, "The importance of strength is so vital in athletics and actually so neglected. Athletes in order to have reserve to meet emergencies should acquire strength in excess of that required for the desired activity." The U.S. Air Force reports that 50 percent of our young men lack the strength and agility to pass a physical fitness test for pilot training. "J. Roswell Gallagher has stressed that the evaluation of strength, the determination of the disproportion between strength and probably stress, and the increase of strength through exercise at times constitute better medical practice than a regime which focuses upon the ailment, emphasizes rest and ignores the facts regarding strength development through exercise.[23] Harold E. Jones found that boys high in strength tend to have good physiques, to be physically fit and to enjoy favored social status in adolescence, and the boys who are low in strength show a tendency toward asthenic physiques, poor health, social difficulties, and lack of status, feelings of inferiority, and personal maladjustments in other ways." [24]

Kay H. Petersen concluded that strength was a consistent differentiator of ability to make and to achieve success on interschool athletic teams.[25] H. D. Whittle reported that strong physical programs in public schools result in higher levels of muscular strength among the participants.[26]

Strengthening activities to maintain fitness levels may well be considered desirable for all people as a way of life. In fact, Jean Mayer in an article "Exercise and Weight Control," says that a reorganization of one's life to include regular exercise adapted to one's physical potentialities is a justified return to the wisdom of the ages.

BENEFITS OF ROPE EXERCISE

After careful study, we feel that isometric rope exercise has a very scientific place in the development and maintenance of strength and the general physical fitness of the Nation as a whole. It can be the answer to development of strength in the junior high school and high school gym classes. Because of the small amount of time involved in isometric rope exercise, functional exercise, and development of skills can still be the main physical education program. Strength development has long been a neglected phase of our physical education programs. Weight programs are too time consuming, space consuming, and expensive to have evolved as an integral part of these fitness programs. This system without a doubt can be reasonable, inexpensive, effective, and simply administered. The results will show in regard to fitness tests in the future wherever it is adopted.

This rope system also has tremendous potential as a benefactor to any person who will take the time and effort to apply this program to his daily life. The rewards of a few minutes a day could well mean years to his lifespan. Women as well as men can use this exercise system because of its nature and simplicity. In fact, the potential for removing flabby muscles and excess weight in women is no farther away than the use of the rope.

The Armed Forces may well find that this system can do much for their daily routine. Athletic teams already are using it as a supplement for their extensive training programs.

"In conclusion, strength exercise is needed for the maintenance of a fit body and should be presented as a way of life." [27]

[20] L. E. Morehouse, op. cit., p. 203.

[21] Ibid., p. 195.

[22] L. L. Morehouse and Philip J. Rasch, op. cit., p. 110.

[23] W. H. Clarke, "Development of Volitional Muscle Strength as Related to Fitness," Exercise and Fitness, Library of Congress, p. 203.

[24] Ibid., p. 201.

[25] Ibid., p. 201.

[26] Ibid., p. 202.

[27] Ibid., p. 203.

THE WILD RIVERS BILL

Mr. CHURCH. Mr. President, the initial reaction to establishment of a national wild rivers system has been more than gratifying. While one would anticipate the generous support of most conservation and wildlife groups, support of the measure has been coming from all sources.

Of particular satisfaction has been the editorial comment in my own State. This editorial approval was most aptly set forth in the Idaho Daily Statesman on March 22; and it pays homage, not only to the intent of the wild rivers proposal, but also to President Johnson, for including it in his message to Congress on natural beauty.

I ask unanimous consent that the editorial be printed in the RECORD.

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

[From the Boise (Idaho) Daily Statesman, Mar. 22, 1965]

THE WILD RIVERS

Congress has received from Secretary of Interior Udall a bill to establish a national wild rivers system to preserve conservation, scenic, fish, wildlife, and outdoor recreation values.

It is one of the bills singled out by President Johnson in his February 8 message to Congress on natural beauty.

The legislation proposes immediate wild river status for all or part of six rivers. Two are located in Idaho, the Salmon River from the town of North Fork downstream to the town of Riggins, and the entire Salmon Middle Fork; and the Middle Fork of the Clearwater River from the town of Kooskia upstream to the town of Lowell, the fork also embracing the Lochsa River from its junction with the Selway at Lowell forming the Middle Fork, upstream to the Powell U.S. Forest Ranger Station, and the Selway River from Lowell upstream to Thompson Flat.

Segments of the Rogue River in Oregon, the Rio Grande in New Mexico, the Green in Wyoming, and the Suwanee in Georgia and Florida including the Okefenokee Swamp are proposed for classification under the wild rivers bill.

In Idaho, the Bureau of Outdoor Recreation spent considerable research in studying the Salmon and the Clearwater Middle Fork. Private consulting firms were employed by the BOR in compiling the definitive studies. The Statesman has not received reports of the research on the Idaho rivers involved, but a preliminary review of Secretary Udall's proposals and acquaintance with the beauty of the Salmon and Clearwater suggest the bill should be adopted.

There certainly will be no hesitancy in outdoor groups and wildlife organizations giving their approval to the wild rivers system measure. The views of local interests directly affected by the bill should be forthcoming.

The beauty of the treacherous River of No Return between North Fork and Riggins is known universally by outdoor enthusiasts. The Salmon River is incomparable and exciting and as much of its pristine character must be conserved as possible. The Middle Fork of the Clearwater and its companion Lochsa and Selway streams reach into a million-acre wilderness area of the Selway-Bitterroot administered by the U.S. Forest Service as directed under appropriate laws of Congress and regulations of the Department of Agriculture.

Historically speaking, the rivers have provided colorful pioneer legends. Much of the Clearwater system has traveled by the Lewis-Clark Expedition.

Idaho now gains by national recognition of these magnificent rivers. Congress will study the Udall proposals. The passage of the Wild Rivers System Act appears inevitable.

"COAL IN YOUR FUTURE"

Mr. BYRD of West Virginia. Mr. President, coal represents the greatest mineral resource of the Appalachian region of this country, and its production is still the basic foundation of the economy in Appalachia.

George Fumich, Jr., Director of the U.S. Office of Coal Research, recently reviewed the progress made by his Office to develop new uses for coal. Great strides have been made in this field; and the results of this research are easily seen in the production of coal, which has shown an increase for the first time in many years.

Mr. Fumich's talk, entitled "There is Coal in Your Future," is certainly worthy of study by every Senator. I ask unanimous consent that it be printed at this point in the RECORD.

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

THERE IS COAL IN YOUR FUTURE

The industrial market is a very important one for coal and one which the industry has in the past done perhaps too little to promote and expand. Despite this, it has remained over the past decade and a half the second or third largest single coal market, varying in ranking with steel in individual years. For 1963, it comprised a market of 83 millions of tons, excluding cement, which utilized another 8 million tons.

It is encouraging that in recent years the industrial market, declining slowly but steadily through 1959 when 74 million tons were consumed, has reversed that trend and climbed annually since that year to the present size of 83 million tons. An important job for the coal industry is to see that what needs to be done to insure the continuance of the present short range trend is done.

A frank review of the possible causes of the decline prior to 1959 is perhaps in order.

Coal-fired equipment was traditionally larger—heavier—more expensive than similar equipment employing competitive fuels. Coal had to be handled, stored—ashes disposed of. Coal-fired plants required labor over above those of the other fuels, and labor costs were trending steadily upward. There

was some doubt in the consumer's mind as to whether the delivered costs of coal would not increase similarly.

In all too many cases these problems and doubts, coupled with the factor that cost of the steam or heating plant operation was in frequent cases an almost inconsequential factor in the final cost of the consumer's product, led to the displacement of coal in the industrial market. That the decline of coal in this market was not greater is in part due to the equipment manufacturers. Even after well above a normal lifetime of operation, coal-fired equipment was simply too good to throw away.

In my mind, at least, this reputation of coal-burning equipment as being high priced and nonautomated, based on experience with frequently obsolescent equipment, was a mixed blessing. I believe that it set the plant owner and operator thinking, "If coal-fired equipment was only cheaper, cleaner, and easier to operate, I'd never switch. The equipment lasts almost forever, and coal is still the cheapest fuel."

To me, then, these are the ground rules if this vitally important market for coal is to be expanded. Equipment for the handling and burning of coal must be developed that is competitive over a reasonable depreciation period, if not in initial cost, with other fuels.

The knowledge that coal can be a clean fuel, clean in handling and burning, must be expanded. Possibly most important, the fact that a coal-fired plant can be as highly automated as any other must be stressed. Where local ordinances discriminate against the automated coal plant, the proper officials need to be shown and convinced so that the local laws may be changed. And the coal consumer needs to be continually reassured of the coal industry's interest in his needs and problems, that coal in desired quantities and consistent qualities will be available for his requirements, and that the price of coal, including its delivery to his plant, will insure its position as the lowest cost fuel.

As papers presented at this meeting have amply demonstrated, the coal and equipment suppliers have risen to the bait. They have shown their willingness and capability to contribute to the growth of this market. I shall mention just a few of their recent contributions.

Industry-financed Bituminous Coal Research, Inc., has erected and is operating a modern basic and applied research laboratory at Monroeville, Pa., where all facets of coal handling, combustion, air pollution, and ash handling and disposal are being investigated. The pioneering efforts of this laboratory led to the development of the first "packaged" coal-fired boiler units in capacities of less than 20,000 pounds of steam per hour. Industry interest, as evidenced by the BCR work, led to worthwhile activity on the part of at least four manufacturers.

One development was the packaged unit built to basic designs developed by BCR. Two of these units are installed, and utilized for both heating and air conditioning, in the Coal Building, headquarters of the National Coal Association, in Washington, D.C. Your inspection of these units is invited by their owners should you visit the Capital City. While the initial cost of these packaged units is higher than for gas or oil, they have in many instances been economically competitive with other fuels.

Another manufacturer has developed a somewhat similar unit, again higher in initial cost than for similar equipment fired by other fuels. Nevertheless, it is another satisfactory and desirable addition to the range of automatic coal-burning equipment.

A Virginia company acquired the manufacturing rights to a stoker design originally developed in Canada. Initially it employed an air-cooled grate which was found inadequate for many industrial applications. An improved grate assembly has been developed which has the advantages of lower cost and adaptability to conventional-type boilers.

One well-known equipment supplier has been working on a similar grate assembly for several years, and the unit will soon be ready for field testing. The manufacturer has expressed enthusiasm over its possibilities.

These equipment units have capacities of from 75 to 300 boiler horsepower and above.

Still another is considering the manufacture of a coal-fired boiler of English design which may offer some cost advantages and would perhaps be available in capacities of up to 500 boiler horsepower. Undergoing evaluation at this time is the design of an automatic ash removal system for this unit.

Various manufacturers of coal-handling equipment, combustion controls, and air pollution prevention devices are also known to be working on methods of making coal-fired equipment cleaner, cheaper, and more highly automated.

Other public and private researchers are working on improved combustion systems utilizing coal, including improved burner designs, the establishment of stoichometric combustion conditions, the recirculation of furnace gases, development of pressurized furnaces, and the adaptation of slagging furnaces to smaller industrial capacity ranges. Certainly some of this effort can be expected to bear commercial fruition within the foreseeable future.

The Office of Coal Research of the Department of the Interior is intensely interested in contributing to the health and growth of the industrial coal market. In fact, the goal of the Office, as specified upon its creation by the Congress in 1960, is to encourage and develop through a contract research program, new and expanded markets for coal.

Today's program has been mentally a stimulating and gratifying one, so although I could speak enthusiastically at great length concerning the work of the Office of Coal Research, this is not the time for such a talk. Allow me please, however, a few moments to discuss that part of our present and planned program which is of most interest to you.

I have mentioned the vitally important developments by BCR and manufacturers of the packaged coal-fired boilers up to 15,000 pounds of hourly capacity. However, competitive fuels were able to produce packaged units of 100,000 pounds of hourly capacity—and just recently this range has been extended to 200,000 pounds.

Because of the past history of declining markets, and other reasons too well known to you to warrant discussion, equipment manufacturers were not able to justify as an extensive research and development program as was being utilized for competitive fuels. It was in an attempt to equalize the situation that the first OCR contract was signed with Pope, Evans & Robbins, of New York, for the development of a higher capacity, more competitive coal-fired packaged boiler.

The contract has been completed, and the designs and specifications of the complete plants, including coal and ash handling facilities, and the combustion unit and controls are available to the public. The designs for the packaged boiler-stoker unit are available in capacities of 20,000, 30,000, 40,000, and 50,000 pounds of hourly steam capacity.

These new plants should materially assist the coal industry in gaining a share in the expanding industrial heating market. We believe that they will find wide application in factories, hospitals, and other large buildings.

Completely "live" storage of coal is a feature of all plants, together with the ability to burn almost any American coal, including anthracite, with minor modification of the combustion changer.

The new plants can be erected at costs considerably below present coal-fired units in this capacity range and will require no more attendance than oil- and gas-fired plants.

The designs and specifications are of such detail and quality that, except for normal site engineering, any designer or manufacturer of coal-burning systems would be able to build a plant from them.

The design employs an "A" type boiler considerably smaller than previous boilers of this capacity coupled with a new-type oscillating-grate stoker. The overall as-shipped height of the boiler-stoker package permits it to be shop constructed and shipped by rail to almost any erection site in the United States. The major difference between the two basic plant designs available is that one provides coal storage in a below-ground level "tank," while the other employs a surface-storage silo.

Boiler-stoker specifications provide heat release rates on the grate of 750,000 British thermal units per hour maximum, 650,000 minimum. This service is made possible by heavy alloy castings with high-velocity tuyeres; the arrangement permits an excellent turndown ratio. The furnace heat release limit is 54,000 British thermal units per cubic foot per hour, maximum, considerably greater than employed in other types of coal-fired units due to furnace configuration. This is accomplished by an extremely turbulent furnace condition with high-velocity tuyeres, 16 overfire air nozzles, full boiler length travel, and a high heating surface-volume ratio. Despite these increased heat release rates, exit furnace gas temperature will not exceed 1,900° F.

Several of these boiler-stoker units are presently in industrial operation, and you have heard a complete report and description of their operation this afternoon, so I shall not bore you with repetition.

As a result of what we believe to have been a major contribution under this contract to the needs of the industrial fuel market, a second contract in the amount of $531,000 was awarded to Pope, Evans & Robbins on February 20 of this year. Under terms of the new contract, we hope that the contractor will be able to develop boiler units (probably not stoker fired) in the capacity range of up to 100,000 pounds of hourly steam capacity. We even hope to reach the 200,000-pound goal that has recently been achieved by competitive fuels.

Such units, requiring minimum attendance, minimum space, maximum efficiency, and with an initial cost and operating cost considerably more favorable than existing coal-fired equipment should provide a substantially increased market for coal within a relatively short period of time.

Under terms of the research contract, numerous new concepts for coal handling, combustion, ash and fly-ash collection will be developed and evaluated. Prototype components of the package unit will be constructed and tested prior to the development of the complete final design of the overall system. All elements of the system will be so integrated and refined as to produce a compact, safe, automated, and efficient installation designed to prove economically attractive to the owners of industrial establishments.

Total time for the performance of work under the contract is 30 months. Full interest and title to any discovery or inventions developed in the course of the contract will vest in the Government.

Concurrently, we are proceeding with contract research efforts designed to assist the coal operator in reducing his production costs and to assist the coal consumer in finding uses for the present waste ash and fly-ash resulting from coal combustion. The end result of each of these areas of effort is to make coal cheaper in final cost to the coal consumer.

Our mining cost reduction work is being performed by Virginia Polytechnic Institute. Under a $147,000 contract just completed, four computer programs were developed for evaluating those factors which contribute to the cost of mining in the immediate production area. The programs can be used to evaluate numerous production problems found in the diverse variety of continuous and conventional mining systems which prevail throughout the coal industry. The programs vary in scope and have been tested and proven applicable in a broad range of mining systems. Fieldwork has indicated that application of the program to specific mining problems may reduce coal production costs by up to 40 cents per ton.

The computer programs are available to the coal industry, at cost, and the technical staff and computer facilities are available at VPI to mining companies who wish to employ these programs in their operations but do not have computer facilities. Thus coal operators, large and small alike, can apply these newly developed techniques in reducing the cost of mining.

Since the VPI report was released to the public in October 1964, OCR has learned that the computer programs are in actual use at three major companies whose underground output was 20.4 million tons in 1963, or 6.9 percent of total underground bituminous and lignite production for that year. Five producers accounting for 36.1 million tons annually of underground production are planning to utilize the programs.

During the month of February 1965, five mining companies and two manufacturers of mining equipment made applied "runs" of the VPI–OCR computer programs and expressed satisfaction with the results. Runs for four additional companies were scheduled for the month of March.

A followup contract with VPI to find additional methods of reducing the cost of mining coal in the amount of $286,500 was signed on June 9, 1964, and will run for a period of three years.

The last contract I shall mention is that for determining uses for the solid wastes of coal combustion.

In a $139,140 contract with West Virginia University for determining potential markets for coal-associated rocks and minerals, a method has been developed for making high-strength bricks and other construction material from fly ash and bottom ash. The Government has filed a patent application for the process.

By using a mix of ash, sand, and sodium silicate in combination with modest forming pressures and firing temperatures, it is possible to produce lightweight, durable, and attractive building material. Tests indicate that the bricks produced can withstand severe environmental conditions and have compressive breaking strengths which range from 5,000 to 9,000 pounds per square inch. The material weighs from 95 to 100 pounds per cubic foot against 140 to 150 pounds per cubic foot for common clay brick.

The new process produces a building material that is stronger and lighter than the clay brick. This may mean a saving of up to 30 percent in transportation costs. Sample bricks have been tested in accordance with the American Society of Testing and Materials (ASTM). In every instance, the bricks met or surpassed standards established for clay bricks.

Tests of the new type brick are continuing. But, from all indications, the use of coal-ash for the manufacture of building brick is economically feasible, technically possible, and highly desirable. However, work to date has been on a bench and batch scale only. Additional work is required to develop a continuous production process.

OCR hopes in the future to undertake other research projects designed to further decrease the cost of mining coal, improve its quality, reduce its transportation costs, reduce the problems of boiler-tube corrosion, and in other ways increase the desirability of coal as an industrial fuel.

We are constantly looking for additional new ideas that will help coal in the competitive energy market. Many of you have wide experience in the field of combustion. If any of you have ideas for research in this area, OCR will be happy to discuss them with you, either personally or by informal letter. We solicit knowledge and experience in developing a research program useful to you and to the coal industry.

The coal industry is convinced that their expanded efforts will, in coming months and years, make it impossible for you, the industrial consumer, to ever forget that, "There is coal in your future."

KENNEDY CLIMBS HIGH

Mr. CHURCH. Mr. President, because of his courage, diligence, and intelligence, ROBERT KENNEDY has won the respect of the Nation. Now the junior Senator from New York has added yet another triumph to his already long list, by climbing Mount Kennedy, the highest unclimbed peak in North America. This act of brotherly tribute to the memory of our slain President is greatly admired and appreciated by all Americans.

An editorial praising ROBERT KENNEDY's achievement was published in the Washington Evening Star on Friday, March 26. I ask unanimous consent that the editorial be printed in the RECORD.

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

BOBBY TO THE SUMMIT

It is unlikely that anyone else can really understand what brought Senator ROBERT KENNEDY from the whispers of spring in Washington to the permanent snow and ice of Mount Kennedy, in Canada, the highest previously unclimbed peak in North America. The Senator had had no previous climbing experience and could hardly have been much help to the team he joined 2,400 feet below the 13,850-foot summit.

But, at the top, he drove in a stake with a black-bordered flag of the Kennedy coat of arms. Clearly for the Senator himself, there was a sense of doing something the hard way for the memory of his brother.

It is a fitting act, not only because of the unusually close relationship between the slain President and his brother, but also because of the interest in athletic endeavor that characterized the Kennedy family as led by the President.

We salute this expression of brotherly love and memory and congratulate the climber on having conquered such a peak his first time out.

LEGISLATION TO INCORPORATE ITALIAN–AMERICAN WAR VETERANS OF THE UNITED STATES

Mr. SCOTT. Mr. President, I urge legislation to incorporate the Italian-American War Veterans of the United States.

Few groups in our free society have so consistently contributed, in peace and in war, to America's physical, cultural, and spiritual growth, and the strengthening of its free institutions, as our citizens of Italian origin.

All of us honor America's discoverer, the great Italian explorer, Christopher Columbus. Many of us here in the Senate have been working to make Columbus Day a national holiday, and I hope that we will succeed in the near future.

Millions of Americans of Italian origin and ancestry are making contributions to every walk of American life today.

And when our freedom has had to be defended on battlefields around the world, Americans of Italian origin have always been in the forefront of our forces.

That is why I have joined with the distinguished minority leader, Senator DIRKSEN, in introducing a bill to incorporate the Italian-American War Veterans of the United States.

I am urging prompt consideration of this legislation.

TRIBUTE TO THE 100TH INFANTRY BATTALION

Mr. FONG. Mr. President, in the annals of American military history, the 100th Infantry Battalion has earned a special place of honor. Organized as an all-Nisei Army unit from Japanese American members of the Hawaii National Guard a few months after Pearl Harbor, the 100th Battalion went into action in Italy in September 1943. It fought with great distinction and bravery, and became known as the "Purple Heart Battalion" because of its heavy combat casualties.

Recently, in Honolulu, Gen. John K. Waters, Commander in Chief, U.S. Army Pacific, recalled the gallant record of this fighting unit in a speech before Club 100, composed of 100th Battalion veterans.

In his remarks he referred to "courage that saw the battalion receive three Presidential Unit Citations; one member of the 100th win the Congressional Medal of Honor; 24 others, the Distinguished Service Cross; 147, the Silver Star; 238, the Bronze Star for valor; and 1,703, the Purple Heart—mark you, all from one battalion."

General Waters commends the 100th Battalion men not only as courageous wartime soldiers but also as peacetime veterans devoted to continuing community service.

In his address the General voiced his hope that the 100th Infantry Battalion will have its unit designation retained in the merger of the Army Reserve with the Army National Guard. I was pleased to learn since then, that the Department of the Army has every confidence that the 100th Battalion designation will be retained in the proposed reorganization.

I ask unanimous consent that General Waters' address delivered before Club 100 in Honolulu on February 13, 1965, be printed in the RECORD at this point.

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

ADDRESS OF GEN. JOHN K. WATERS, COMMANDER IN CHIEF, U.S. ARMY, PACIFIC, BEFORE CLUB 100, HONOLULU, HAWAII, FEBRUARY 13, 1965

Mr. President, members and guests of Club 100, it is indeed an honor for me to be with you this evening. It is not often that one has the opportunity to spend an evening with such a distinguished group of people

who represent a famous chapter of our American history and heritage.

During my 34 years of service as a member of our Armed Forces, it has been my privilege to meet with many groups. When I received your invitation to join you tonight, I was very happy to accept. If I remember correctly, I first heard and admired the wartime exploits of your members while I was a POW in Germany and you were making U.S. history in 1943–44 on the Italian Peninsula as members of Mark Clark's 5th Army. I think it was in April 1944 that a West Point cadet roommate of mine, Gordon Singles, first joined your unit. He has spoken often with great pride and devotion of you.

I feel privileged to be with you here tonight and would like to take this opportunity to pay public recognition to your distinguished organization. As you sit here, you can proudly reach out and touch not only one stalwart soldier, but many. There are few organizations in our country which can claim such a thing. Frankly, I'm humbly proud to be with you. I am grateful for the opportunity to pay my sincere respects to fighting men. This country has needed them and will need them again.

Club 100 and you men of the 100th Battalion who comprise its membership deserve a renewed share of public recognition for the contributions you have made, and are continuing to make, to our country, our State, and our community. What your club represents to this community cannot be measured by any known device. It may never be appreciated fully until your sons and grandsons are called to react to any challenge to our country. This may not even be a physical challenge. In fact, some people believe the greatest threat to our people today is that Communist target—our minds. But what I mean about the failure to appreciate fully your vital work is that your practicing patriotism, your reputation for courage, your place in the community and what you stand for—these things, will help build our youth to the point where they will resist the encroachment on their minds. It is as important that their heritage be such that their minds are trained to recognize the dangers. They will be blessed with the courage of their fathers and grandfathers—you men here tonight. Courage that saw the battalion receive three Presidential Unit Citations; one member of the 100th win the Congressional Medal of Honor; 24 others, the Distinguished Service Cross; 147, the Silver Star; 238, the Bronze Star for valor; and 1703, the Purple Heart—mark you, all from one battalion.

Sometimes it is hard for us to realize that a whole new generation has grown up since the 100th Battalion was organized. In a few years you will be observing your 25th anniversary—a quarter of a century of service that has seen the world change in so many ways—changes, too, right here in our own country, in which many of you have played such important roles within our own state. It is a happy thought that your sons and daughters will never have to sacrifice and suffer as you did for the principles for which you stood and the right to become full-fledged Americans. I think I could put it more correctly if I said "effort to be recognized as the full-fledged Americans that you have always been." History knows that no other group of Americans ever went so far above and beyond the call of duty for their country and their own people than did the Americans of Japanese ancestry in Hawaii during World War II. Many of our minority groups in America have displayed their loyalty in many ways since 1776, but the Americans of Japanese ancestry proved their loyalty and trust at great personal sacrifice and loss of life on the field of battle. A new and fortunate generation of Americans are enjoying the rewards of your efforts. Here in Hawaii this is particularly true where men and women, young and old, of many ethnic backgrounds, work, live and play together in a harmonious atmosphere of public understanding and cooperation. It has helped to make this Nation of ours great and a leader in the free world.

You of Club 100 and the 100th Battalion must be very proud of the continuing success of your members and the work that your organization is doing in this community. There is hardly any field in our daily life in Hawaii in which you cannot find some former members of the 100th in it or associated with it in some manner. This is particularly true in public life where the 100th Battalion is represented in the U.S. Congress; others serve in the State legislature, and still others hold offices in the State Government or are leaders in business, industry and professional trades. We in the military are particularly proud that one of your former members, Francis Takemoto, has climbed through the military ranks to the grade of brigadier general in the Army Reserve while still serving his community as a leader in the field of education. Time does not allow me to go on to review with you the many contributions each of you and your organization are making to help this country be a better place in which to live for our families, our friends, and our neighbors.

It is most fitting that Club 100 was organized to serve in promoting the unity and welfare of all the people of Hawaii. I understand that your slogan is "for continuing service." If Club 100 continues to serve this community as it has the past 23 years, it will compile a record of public service second to none of any such organization in the Nation. The attitude of the members of the 100th Battalion and Club 100 toward community service individually and collectively following the war has proven to be a great asset to this community. Many of you can recall that some of our veterans, fresh from war duty, felt, upon their return, that the country owed them their livelihood. Not so for you. To you men and your ogranization the termination of the war offered an opportunity to serve our people at home in pursuit of peaceful activities for the welfare of the community with the same vigor that carried you through your various campaigns so successfully. I am sure that the accomplishments of Club 100 have enriched your lives over the years. Honolulu and the State of Hawaii have indeed been fortunate. I know from experience that this organization of yours and its members have helped to foster the fine and strong relationship that exists between the military establishments here and the civilian community. We are grateful for this and are confident it will continue in the future. Mutual understanding is at the bottom of it—a deep understanding that has increased with the years.

Just 10 days ago I returned from a trip through the Far East. There I observed our young men and women in the service and saw first hand the wonderful job they are doing in carrying out our country's responsibilities to help defend our liberty and freedom and that of our allies in this hemisphere. I can assure you that they are doing an outstanding job. Many of these men are from families in Hawaii. They represent many ethnic groups of the islands. Some of these men are dying in battle in Vietnam where there is not even a known battlefield but where the fight to preserve liberty and freedom goes on in the bitterest sort of way.

It is Americans like those of you here tonight who will answer the challenge and will see to it that the United States will continue to maintain its leadership in the free world in pursuit of liberty and freedom. You have not and will not shirk your duty to defend against aggression should the necessity arise. The examples you have set and the principles for which you stand will enable your sons and daughters and those of Americans elsewhere to carry on in the same proud manner as you have—if and when the time comes. Your contributions to our American heritage are a distinguished chapter in the history of our country.

I have one more subject to mention, which is of interest to all of us here tonight. As you know, the Army Reserve is being merged with the Army National Guard and there has been some question as to the retention of unit designations in the reorganization. The Department of the Army will make final decisions as to designation of surviving units. The 100th Infantry Battalion because of its seniority and history deserves to be retained and transferred to the Hawaii Army National Guard in order to continue its tradition of distinguished service to the Nation. I had hoped to be able to announce the decision—however, it has not been made as yet. My hopes are high.

And now, I congratulate the new officers of Club 100.

I commend those who are retiring for their outstanding contributions "for continuing service."

CIVIL RIGHTS DEMONSTRATIONS

Mr. SCOTT. Mr. President, I want to commend the Concerned White Citizens of Alabama for their support of the Selma-to-Montgomery freedom marchers and for their efforts to interpret the civil rights movement, not alone as a Negro struggle, but as an American struggle for the basic freedoms of all men.

Concerned White Citizens raised about $1,000 for food for the Selma-to-Montgomery freedom marchers, and 20 of its members participated in the last leg of the march to the State Capitol on Thursday, March 25. A group of 100 Concerned White Citizens has attracted about 200 more persons since it marched in Selma 3 weeks ago to support the Negro drive there.

Rev. Joseph Ellwanger, a Birmingham, Ala., Lutheran minister who is the leader of the month-old group, is to be commended for his efforts to organize the Concerned White Citizens group.

The Concerned White Citizens group of Alabama should serve as an example for all communities in our country who must demonstrate a responsible and thoughtful response to Negro ambitions for basic rights.

Local communities should help to solve community problems. Every American is implicated in the struggle to secure basic freedoms for all citizens.

Bitterness and frustration must be cast aside in favor of a positive, constructive approach to solving the problem of racial discrimination.

IOU 32: PREPACKAGED PUBLIC OPINION

Mr. METCALF. Mr. President, the lid has been lifted off one of the most insidious propaganda operations in the United States. It is time to open the lid all the way. The public has the right to know which industries and which companies are paying for the editorials which are represented to be—in the words of the American Medical Association—"the

viewpoint of a majority of the American people."

We can all be grateful to the senior Senator from Michigan [Mr. McNamara] for his analysis of editorials presented to members of Congress by the American Medical Association. It is indeed remarkable when editors in widely separated sections of the country simultaneously arrive at identical conclusions against adequate health care for the aged, and express their sentiments in identical words.

As the junior Senator from Alaska [Mr. Gruening] and newsmen have observed, some of the editorials sent to us by the AMA, and represented to be the independent expression of editors, came from a single source, the Industrial News Review, of Portland, Oreg.

Industrial News Review has been prepackaging public opinion since 1906. It sends packets of 12 or 13 editorials weekly, free of charge, to some 11,000 editors. Some editors throw the editorials away. But many use them, and the unsuspecting reader thinks they are written by the local editor.

A journalism school survey of use of Industrial News Review editorials in one State—Colorado—published in Nieman Reports revealed that about one-third of the editors used the prepackaged Industrial News Review editorials. Some used as many as 100 or 200 of the editorials a year. Of course, if only 1 percent of the editors publish a prepackaged Industrial News Review editorial it will appear in more than 100 papers. The industry whose objectives are lauded in the editorial can then point with pride to the seeming ground swell of support for its cause.

Industrial News Review was mentioned in the press as the source of at least one of the editorials reprinted by the American Medical Association in its 171-page booklet which claimed editorial support for AMA legislative objectives. I have now verified that at least 44 of the 221 editorials in the AMA booklet came from Industrial News Review, whose Lawrence Hofer has admitted that his organization receives a fee from the AMA.

Those 44 reprints were of 6 different INR editorials of which 1 was used by 11 different newspapers and 1 by 10 different papers. Another was used by nine and another by eight. In addition, five of the editorials in the AMA booklet are so similar to INR editorials as to indicate a rewriting of the INR release. Several others indicate the inspiration, at least, came from INR materials.

The word-for-word reprints were used by weekly and daily papers serving such widely scattered areas as Dickinson, N. Dak.; Baltimore, Md.; Rock Island, Ill.; Mesa, Ariz.; and Miami Beach. Most of those listed are dailies.

In addition, an editorial from Washington Exclusive was used by seven newspapers including papers at Modesto, Calif.; Roanoke, Va.; Dickinson, N. Dak., and North Canaan, Conn. Washington Exclusive is the product of U.S. Press Association of McLean, Va., which "for $175 will send your message to 1,199 weeklies and 150 daily newspapers." U.S. Press Association has listed such clients as American Bankers Association, National Association of Manufacturers, National Right-to-Work Committee, Electric Industries PIP, General Electric Corp., National Association of Electric Companies.

In the AMA booklet there were at least three other of the editorials which were used word for word by two or more newspapers, often in widely separated areas, indicating they also may have been furnished by a service.

But AMA is a minor client for Industrial News Review. INR distributes four editorials glorifying the IOU's—investor owned utilities—for every one editorial praising the AMA.

Industrial News Review has a simple formula. My analysis is based on the 12 or 13 editorials furnished free each week to approximately 11,000 editors during 1964.

Here is how it works. Every other week with regularity one editorial praised Pan American Airways, the New York Stock Exchange, REA Express, the American Meat Institute, the American Medical Association, the Committee of American Steamship Lines, chainstores, and the timber industry.

Every week one editorial glorified the drug industry, the oil industry, the railroad industry, and the chamber of commerce taxpayer groups.

And every week, week in and week out, 2 of the 12 or 13 editorials sang the praises of the IOU's.

Mr. President, the last investigation of propaganda activities of power companies, more than a generation ago, showed that they were contributing $84,000 a year to Industrial News Review. Some companies now contribute more than $1,000 each annually to Industrial News Review. And some companies include these subscriptions to a prepackaged propaganda machine as operating expenses, paid for in full by the customers through higher utility rates.

Industrial News Review is a small part of the vast propaganda operations of the power companies. I believe that regulatory commissions should interest themselves in this matter. Newsmen would also find the field fascinating and quite unlike its presentation by Industrial News Review which says "a power company lives in a gigantic goldfish bowl" with "its every act subject to public observation and local, State, and Federal regulation."

Mr. President, I ask unanimous consent to insert in the body of the Record, immediately following my remarks, my article, "Unlabeled Packages," dealing with Industrial News Review and other power company propaganda, which appeared in the September 1964, issue of Public Power; "Prefabricated Public Opinion—The Industrial News Review in Colorado," by Denny Lowery, which appeared in the July 1955, issue of Nieman Reports, and "Behold the Grass-Roots Press, Alas," by Ben H. Bagdikian, which appeared in the December 1964, issue of Harper's.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From Public Power, Sept. 1964]

UNLABELED PACKAGES: THE IOU'S—INVESTOR OWNED UTILITIES—PART 2

(By Hon. Lee Metcalf, U.S. Senator from Montana)

Power company propaganda is well packaged, but it frequently carries no return address. Whenever possible, the companies find a "patsy" to play postman and make deliveries to the unsuspecting consumer and his children.

The patient who browses through Public Service magazine in his physician's office sees no hint that it is, as correctly labeled in Ayer's Directory, a utility publication. On the contrary, he is told that the magazine has "no affiliation or connection with any other business, groups, organizations, or associations."

The college student who suddenly finds that he is on the mailing list for the "Freeman" magazine isn't told that the IOU's (investor-owned utilities) have long been among its regular financial supporters.

Neither high school and elementary students nor their parents know that distribution of "economic education" kits and films which saturate some areas of the country involves the manpower and money of more than 50 power companies.

In one instance, the letterhead of a press release was that of Columbia University. But the words were those of the IOU's complaining about competition, Government regulation and "harrassment to the management of the privately owned, business managed utility company" (Public Power, September 1962, p. 24). (The university said that the release was produced without the knowledge of the university news office.)

FILM "OPENS MINDS" FOR IOU'S

During the past year the electric light and power industry has been busy arranging for others to show the IOU's current propaganda movie, "The Power Within," which is described by the industry distributor as "an inspiring technicolor sound movies which tells the complete story of Government encroachment * * * opens minds which have been long closed to the problems of the investor-owned electric utility industry—prepares a path for further education or action, as your company directs."

The film tells how private power "companies were swallowed up by TVA—a backdoor Federal takeover of the investor-owned companies." (When I checked recently, I found that private power companies in the TVA area were not only alive and kicking, but that their common stock earnings have increased more than twice as fast as the national average, thanks in good measure to increased sales after they lowered rates to meet TVA yardstick competition.) Half-truths and distortion throughout the film culminate in an emotional scene, with the cameras on a statute of Abraham Lincoln, as a voice intones Lincoln "quotations" which were long ago branded as fictitious.

The film was produced by Varicom International of Boulder, Colo., and is distributed to companies as part of a "project action" package which includes a 119-page manual crammed with techniques of audience manipulation, and a selection of anti-REA and anti-TVA brochures. The film has already been shown in most States and at least one foreign country.

"COMMUMITY LEADERS" INTRODUCE FILM

Last fall the "Project Action Newsletter" reported with unconcealed delight that "Community Public Service of Fort Worth * * * has been successful in obtain-

ing community leaders who are not associated with the company to introduce the film at club and civic organization meetings." The First National Bank of Englewood, Colo., and the Englewood Chamber of Commerce had "promoted the program through the local paper, the Englewood Herald." Public Service Co. of Colorado had obtained 15 copies of the film and set out to arrange showings to "public, private and parochial schools" and scheduled meetings, built around the film, with various organizations in the Denver area.

"The information department of Public Service of Colorado," reported the newsletter, "will be meeting with a number of outside organizations, including junior chamber of commerce, Colorado Farm Bureau, Manufacturers Association, and others, in an attempt to get one or more of these groups to undertake project action as one of their specific programs."

The director of communications of Public Service Co. of New Mexico arranged for the film to be shown to a Lions Club luncheon and some visiting Shriners, then returned to his office to write with elation that the film tied in with the chamber of commerce "Action Course in Practical Politics" and that a precinct chairman (the political party was not mentioned) had told him "we finally have a vehicle for presenting these facts to the average person."

The technique for dissemination of the film is as simple as the old chain letter. Normally one showing "triggers many other meetings," wrote Hager Patton of "Project Action" a few months ago. The audience is asked to furnish the names of school, church and civic groups which should see the film.

"Members of church and PTA groups," said Mr. Patton, "generally want to make the message available to others."

The aim of the film is to get letters and telegrams which reflect the power industry's viewpoint to members of Congress. Every effort is made to hide the power companies' role in this campaign to pressure Congress. Extremism in the pursuit of secrecy is no vice by the standards of the IOU's. Their manual states that: "sample letters should be on various colored and sized stationery and handwritten. This will give members of your audience an 'authentic' guide, yet, because it looks as though it is an actual letter someone has written, avoids the chance of copying and standardized letters coming from your audience to any one Congressman. This will allow the action obtained to appear spontaneous to the recipient and not as though it were a planned, concerted effort by any one interested group."

Again the IOU's stress that the real return address on the letters to members of Congress should be obliterated. The patsy who shows the film is cautioned, in the manual, that envelopes should "carry individual stamps not metered postage which will betray the source of the letters to the recipient."

In at least one instance this year a sponsor of the film decided to discontinue use of the film. Sears, Roebuck & Co. showed the film to its employees in Owensboro, Ky. Rural electric cooperative members protested the unfair attacks on them and, after some delay, a vice president of Sears announced that "I do not believe that such a showing will be repeated elsewhere." Occasionally a company will sponsor the film, as Gulf States Utilities did, twice, on Baton Rouge's WAFB–TV.

Similarly, a company will sometimes directly plant a newspaper editorial. But the direct approach (ads and news stories for the press, regular contributions for service clubs) is invariably supplemented by the indirect approach, in which the role of the company is hidden. The power companies help finance newsletters and editorial writing services. A busy editor, trying to fill a hole on the editorial page and without time or inclination to write his own comments, publishes some of the convenient canned editorials. He has noted that the editorials may be used "with or without credit" and frequently runs the editorial as his very own. Even if he does credit the editorial to, for example, the Industrial News Review, most of his readers do not know that this Hofer family enterprise of Portland, Oreg., is a favorite charity of the IOU's.

I doubt too that some of the Northwest editors who use INR editorials reflecting local utilities' opposition to Federal dams are aware that Pacific Power & Light, and Portland General Electric each gave $1,300 annually to INR, and that Union Electric (of St. Louis) gave $1,100. And in those too few instances when a utility is required to itemize its contributions, thus permitting the public to know who the power company "postmen" are the electric consumer is in for more surprises. This summer the Federal Power Commission prevailed upon Texas Power & Light to itemize several hundred thousands of dollars casually listed as "other miscellaneous general expenses." Lo and behold, part of the cost of providing power in Texas, charged to the consumer, are $600 per year contributions to Industrial News Review.

EDITORS USE FREE EDITORIALS

The free editorials distributed each week by Industrial News Review constitute a catalog of power company propaganda and catchwords. The IOU's are painted red, white and blue, their competitors pink. And in the IOU's semantics used by Industrial News Review, "municipal," "cooperative," "TVA," "BPA," and "Federal" are all synonymous with "socialistic." To quote from some Industrial News Review editorials distributed in 1 month this year: "The plain factual record (of the electric power industry) makes a mockery of the tax-subsidized, socialized power movement" (January 6): "There is no rational excuse for continuing REA subsidies" (January 13); "We have Federal and State officials promoting an unnecessary nationwide, Government-owned, tax-exempt power system" (from another January 13 editorial); "The electric power business is the prime example (of) the drive to socialize" (January 20); "The socialized power systems are purely commercial" (January 27); "Socialization of any phase of the electric service business is totally unnecessary" (from another January 27 editorial).

The INR material goes to about 11,000 editors. A journalism school survey in one State—Colorado—showed that about one-third of the editors use the Hofers' INR material, some as many as 200 items per year. Thus it is not surprising that, in one instance, at least 59 editors arrived at identical and simultaneous conclusions.

The electric light and power industry reportedly has doubled last year's budget for national advertising. Many individual companies are now spending more than 75 cents per customer per year on direct advertising. But indirectly, through grants-in-aid to pliant purveyors of power propaganda, through exploitation of company connections with community organizations, the industry pumps out that propaganda which it does not choose to label. The IOU's search is unceasing for those who will tell their club, their church or their readers how the Nation's largest, most preeminent growth industry, with virtually unlimited prospects for future growth and continually increasing profits, has been hobbled and gobbled by Federal, State, and municipal governments—even by those townspeople and farmers who have elected to provide themselves with electricity at cost, through their own local organizations and their own initiative and effort.

[From the Nieman Reports, July 1955]

PREFABRICATED PUBLIC OPINION: THE INDUSTRIAL NEWS REVIEW IN COLORADO

(By Denny Lowery)

The Industrial News Review, published each week in Portland, Oreg., reaches 179 Colorado newspapers, according to the Review's own figures.

Almost 70 of the editors of those papers, in answering a recent quetsionnaire, stated very definite ideas about this free editorial service. When all of the opinions were in, the editors against INR seemed to have four bones to pick with the service, while those favoring the publication had four points to praise.

Maurice Leckenby, editor of the Steamboat Pilot, led off the long parade of those against INR. He stated, "I consider the Industrial News Review to be dynamite and propaganda that is not in the public good." However, Lyle Lindsmith's Englewood Press came back with "We are glad to know there are those who care about the free enterprise, capitalistic system. We need more of its kind."

Otis Bourn's Routt County Republican expressed disfavor concerning E. Hofer & Sons' publication by saying, "You will find a favorite expression of small newspapermen to be that such junk mail is filed in the wastebasket and replies sent to the effect that since no advertising was forthcoming, they should 'Board where they room.'"

However, the Aspen Times, edited by V. E. Ringle, noted: "The Industrial News Review is good. While it is pointed toward business, it gives lots of facts about problems most people never know."

Jack Wellenkotter, editor of the Alamosa Courier made still another charge against INR. He said, "The Industrial News Review is very carefully and very thoroughly Republican in everything it contains. The Review openly calls Democrats power-hungry bureaucrats. And I am a Democrat."

But still on the political standpoint, James Dement of the Antonito Ledger-News said, "Another 20 years of Roosevelt and Truman and we might as well join with the Reds and scrap our Constitution and Declaration of Independence," and in addition, he stated, "I like INR's treatment of the Socialistic trend and the warning of approaching communism if we don't get back to a sound philosophy of government."

The Walsenburg World-Independent felt that INR is too biased to be of any value in conscientious public service, while the Buena Vista Republican said INR is "Good with relation to domineering, selfish labor activities."

The total result of the opinions went against INR. Fifty-two percent of the answering editors felt the copy of INR had no value in the column of a newspaper. They cited various reasons including "harmful propaganda" and "unpaid advertising."

Naturally, not all of the 48 percent who wrote in favor of INR (or at least did not denounce it) actually use its copy.

Marge Mundell Hale, assistant editor of the Denver Record Stockman, for instance, stated, "The Industrial News Review might be quite valuable editorial material," but "it does not apply as such for the Record Stockman for our newspaper is devoted entirely to the livestock industry and what affects it."

And Roscoe Bullard's Wray Gazette noted "Most of the time, [INR] isn't localized enough to be of special interest to a farming community such as we operate in."

Although Dale Cooley of the Limon Leader didn't favor the Industrial News Review, he did state very clearly one of the causes many editors cited for not using such copy. He said, "There is a long chance that in not regularly pursuing this release, we are sometimes overlooking something which would be of actual news value, but the search for the

wheat among the chaff requires so much time that the average country editor simply has more important things to do."

Fred Pottorf of the Holly Chieftain seconded this by saying, "I (as a one-man force) don't have the time to ferret out such copy."

Some of the other reasons given for not using the copy were lack of space in the paper, and lack of interest in such material among the subscribers.

Out of the 96 editors who returned the questionnaires, 32 said they did use INR copy, at least occasionally, and several stated they use 100 to 200 items a year.

Fifteen of the editors said they wrote many of their own editorials on ideas received from the Review's copy. Wallace Foster, of the Gunnison News-Champion said he merely lifted out INR figures which he could fit into his own editorials.

Several papers, such as Mary Morgan's Georgetown Courier, said they used the copy only for filler material.

Although less than one-third of the papers actually reprint the material regularly, over 60 percent of the editors stated they did read the weekly releases.

According to the results of the questionnaire, most editors preferred to change the material before reprinting it. For every one editor who printed the copy just as he received it, four either rewrote it, changed the heading or made some other change.

If the percentage of the 32 papers using INR copy applied to all Colorado weekly papers, the Review's reprinted editorials would reach almost 100,000 Colorado subscribers a week.

In an attempt to get more material on INR's use in Colorado papers, the November 1954 issues of 87 Colorado papers were surveyed.

Out of the 87, only 9 were found to use INR copy during that month. Only one daily paper was among the nine.

Most of the nine papers used the copy sparingly. Only one used it almost exclusively.

The presentation in the nine papers was slightly different from that of the original copy. The most frequent change was in the headings. None of the papers gave credit to INR for the material.

The Industrial News Review was established in 1913 in Portland, Oreg., by its present publishers, E. Hofer & Sons. At that time the Hofers were the publishers of the Portland Daily Capitol Journal, and INR was an outgrowth of the paper's editorial policy.

The service began slowly, being sent to a few weekly papers in the Portland area. Then local industry began to support it financially. The service was gradually enlarged throughout the Western States as more financial support from industry was secured. Finally in 1923, the service became national in scope. It is now sent to approximately 11,300 newspapers across the country.

The service consists of a monthly magazine and a five-page weekly selection of editorials and other features. It is sent to almost every type of newspaper published with the exception of metropolitan papers.

The weekly releases are made up of about 15 editorials and a section called "Grass Roots Opinions," which includes four or five short editorial excerpts from small daily and weekly papers around the country.

An editor may use as much of the copy as he wishes. He can change the copy in any way and is not required to give credit for it in his publication.

The purpose of the service is stated in the "To the Editor" section of each week's release as follows:

"The aim of the Industrial News Review is to advocate and encourage policies which it believes essential to the well-being of our country, the development of industry, the sound investment of savings, and the steady employment of American workers. Its editors express their personal convictions in discussing industrial and economic questions that affect business stability and social progress. * * *"

Also in the same section of the releases, the Hofers state their financial sources: "INR's weekly distribution," they say, "is supported financially by industry, business and professions, including public utilities, retailers, railroads, mines, manufacturers, food processors, petroleum, financial institutions, and others who believe that community prosperity and growth, sound government and reasonable taxation, must accompany individual and corporate prosperity."

Subjects for the INR editorials vary from dams to double taxation and from roosters to railroads. But the main emphasis of the INR writers is placed on utilities, stockownership, retail distribution, socialism, communism, and the major industries such as oil, meatpacking, steel and coal.

The editorials run from about 100 words up to 500. They quote recognized sources, deal with problems often uppermost in the American mind, and naturally, they present the side of the subject-situation which favors industry.

Although the editorials range among a great many subjects, the writing style of the material is about the same in all. The INR writers appear to use a timeworn but successful gimmick—that of the "question" or "thought provoking" lead, with fact and figures sandwiched in the middle of the editorial and the necessary conclusions to close it up.

The wording of the editorials, however, is very well done. The adjectives, verbs, and adverbs are the words that appear to carry the weight of the writer's thoughts. These words are strong and forceful—often so strong as to cause the reader to wonder at their use in the editorial.

For instance, INR stated the following about socialism:

"Human beings are not like ants, they are individualistic in nature, and must have freedom to do their best. That is why socialism and ant-like regimentation are not the answer to man's problem. To progress and gain contentment and profit from his work and at the same time preserve his individualism, is all important to him. He can't do this under antlike socialism."

And then, in another release, "socialism depletes everybody's pockets, just as it undermines everybody's freedom and opportunity."

Words such as "antlike" and "undermines" might derive no special notice when their source is known, but when reprinted in the Nation's weekly press, their meanings and significance are greatly magnified.

INR advocates private, rather than Government ownership of electric power systems. This subject is dwelt upon more than any other single aspect of industry by INR. Almost anything concerning the subject makes its way into the lines of INR copy, and the latest issue, and one of the most loudly proclaimed in the Nation, is the Dixon-Yates contract.

The Industrial News Review has not commented on the contract any more vehemently than many newspapers around the country. But the wording of some of the INR editorials has no doubt carried great weight among many of their readers.

"In short," INR says, "the Democratic attack on the contract has been an ideological one, made by those who want socialized government power monopolies."

Jack Wellenkotter, the Democrat, quickly picked on that statement with the sarcastic phrase "As if the Dixon-Yates affair could ever be described 'in short.'"

Concerning taxes in one recent release, INR gave detailed statistics on individual tax costs now over individual taxes 20 years ago, but it failed to mention one word about the rise in government costs in those 20 years.

And commenting on labor, INR quoted a passage from the Versailles, Ky., Woodford Sun: "As we read on and on about union demands for 'fringe benefits,' paid vacations, shorter workweeks, guaranteed annual wages—in short, more and more for less and less—it is downright refreshing to be reassured now and then that the rank and file of American workers are truly interested in their jobs."

Several things came to mind concerning that passage. First, is not almost every rank-and-file American worker interested in fringe benefits, paid vacations, shorter workweeks, and annual wages? And secondly, just who are the unions? Are they not made up of the "rank and file" of American workers.

The critics of INR range from the "lukewarm" editors who feel the service is a bit too one-sided to be editorially fair, to the "hot" editors who attack INR on the basis of "outright propaganda."

Louis M. Lyons, editor of Nieman Reports, explored the use of INR releases in the July 1948 issue of Nieman Reports, in an article entitled, "Editorial Writing Made Easy." He asked the question, "What would be the reader's judgment of an editor who farmed out his editorials to someone else without letting them know? Suppose this someone else was an anonymous person not resident in their community or within a thousand miles of it—someone not working for the interest of their community or even the interest of their newspaper, but working for some special interest with an ax to grind of which the readers are not told."

Lyons went on to berate newspapers using INR and similar copy without identifying its source, then named 59 newspapers which had used a certain Hofer editorial concerning a speech by the president of Harvard University.

In concluding his article, Lyons stated "The medical profession has a procedure for malpractice. So do the lawyers. There is an American Newspaper Publishers Association and an American Society of Newspaper Editors, and there are ethical codes for journalism sponsored by these and by State press associations. This exhibit (the article) is offered to any who accept any responsibility in these matters."

Another critic of the Review, with a slightly different slant, is the editor of the Pleasant Hill (Mo.) Times. In an editorial reprinted in the January 8, 1955, St. Louis Post-Dispatch, he said "Since 1913, the Hofers have been blanketing the rural press with essays on behalf of 'the essential well being of our country,' as they demurely phrase it." Then "It just happens that the essential well-being of our country always coincides with the special interests of those industries—notably oil, power, railroads, shipping, and stock exchanges—which pay the tab for the Hofers."

And commenting on who receives the most benefits from INR he stated, "It is not the ink-stained chump who permits someone else to sell and collect for the space in his newspaper; not Uncle Sam, who must rule this a legitimate, tax-deductible business expense; not even the clients, who really ought to know the influence brought from a newspaper that would go for canned editorials isn't worth postage. The winner, by a technical knockout of everybody in the ring, is E. Hofer & Sons."

But, although INR seems to be attacked from every angle, it evidently has many, many editors who think highly of it and use its copy. The Review claims a reproduction of 1,894,318 inches of its copy in 1953, and of that total, 14,332 inches reprinted in Colorado. These figures suggest that not all editors follow the policy in regard to INR suggested by a Colorado editor who neglected

to sign his name or indicate his paper: "An editor must think for himself."

Mr. GAYLE WALDROP,
Director, College of Journalism, University of Colorado, Boulder, Colo.

DEAR MR. WALDROP: Thanks for sending us Denny Lowery's report in reply to our request. We have made two copies of it for our files, and are returning it to you.

We had expected the report to be of a more academic nature based on the actual facts as supplied by the newspapers and by us. Any judgment, whether favorable or unfavorable, as to the merit of the work should have been stated clearly after a full presentation of the subject. As so many of us do, I'm afraid Mr. Lowery allowed his prejudices to greatly influence the factual content of the report.

We deal with economics, one of the social sciences, which branch of learning is unfortunately neither fish nor fowl. I took economics as my major in college and everywhere found an attempt being made to lend the subject an exactitude possible only with the physical sciences. This cannot be done because, after all, any social science deals with the interrelationship between people, who are influenced not so much by exact mathematics, as they are by feelings, customs, and personal judgments.

Mr. Lowery fell into the trap of allowing his personal economic convictions, based on a nebulous mistrust of private business and our free enterprise system, slop over to an alarming degree into what should have been a factual study of the Industrial News Review. I don't want to get into an ideological discussion. We are convinced that we can have political freedom and a representative form of government only by keeping the economic activity of the country in the hands of private citizens rather than government bodies. This has been proven often by the experiences of countless civilized societies through thousands of years of recorded history.

We feel strongly the importance of getting this idea before people generally in every part of the country. That's the only reason we're in this business. Any one of us could make as much or more money running a feed and seed store, or a grocery store, or selling automobiles, or any of a number of things that are purely commercial. I believe some of the economics books call it "psychic income." A person likes to be connected with an activity which he feels has some meaning or importance. That's probably why you are in the field of education.

There is one thing that we would like Mr. Lowery to understand, and that is that the material which we sent him, and which he should have made some effort to understand, gave as true a statement of our intentions and picture of our business as it was possible to give. Our editorial policy is not decided by the size of anybody's check. We discuss subjects which we believe are of importance to the country, and our editorial support cannot be bought like a half page advertisement any more than can editorial space in the newspapers with which we work. We turn down a great many subjects which simply do not fit our policy. Industries provide the support for our work, but industry does not tell us what to write. You or Mr. Lowery, or any editor in the country are more than welcome to come into our office any time and learn about any aspect of our publication in which you are interested. We have no secrets.

We do not like to have the integrity of the Industrial News Review questioned even by an uninformed person, but we never quarrel with anyone for disagreeing with our views. A divergence of opinion is a good thing. After all, a good rousing disagreement is what got this country started in the first place. I would suggest to Mr. Lowery, however, that he give the benefit of the doubt to any person whose intentions and basic integrity he sets out to judge. If he ever runs a newspaper he will soon find there would be no free press without private enterprise to support it—government in business furnishes no business for newspapers.

We have removed your name from our mailing list as requested.

Very truly yours,

L. V. HOFER.

MAY 16, 1955.

Mr. L. V. HOFER,
Industrial News Review,
Portland, Oreg.:

This morning, with great interest, I read your letter to Mr. A. Gayle Waldrop concerning my report on the Industrial News Review in Colorado.

To begin with, I agree with you on one point. The report was not as good as it should have been. When I first began the study, I pictured the end result as being a polished, smartly written piece reflecting tremendous effort and a great amount of cautious analyzing, balancing, and the presentation of the facts. Although quite a bit of effort did actually go into the report, the facts would not allow themselves to be balanced, and the report came out saying two things: (1) A majority of Colorado editors do not appreciate the Industrial News Review, and (2) through careful study of your releases, neither do I.

Now, on to the next point. One of the basic elements of any new concept or undertaking is constructive criticism. I appreciated your criticism of the report, although I did not consider it to be too constructive. Now, in the same vein, I would like to criticize your criticism.

1. In your letter, you stated the report was influenced by my "personal convictions, based on a nebulous mistrust of private business and our free enterprise system." Am I to assume then, that I am a misty, but budding Socialist?

My only answer to this point is that I have a faith in private business, and an admiration for free enterprise just as strong as you, or any other person in these United States.

If my report was prejudiced, or influenced to any degree, it probably stemmed from the reading of your releases, the research I did into your service, and the replies from the editors of Colorado newspapers—a very sincere and sensible lot, for the most part.

2. As to the factual content of the paper, you will find it quite valid. If there is any prejudice in the report, it is in the 38 lines (of a 10-page report) where I commented on the wording and structure of your editorials.

3. In your paragraph concerning your editorial policy and finances, I might point to one sentence which was a very nice understatement. Industry might not tell you what to write, Mr. Hofer, but I'm sure you won't, and never have, "bitten the hand that feeds you" by criticizing some phase of industry. And I'm sure that you, as an economics major, will admit there are many phases of industry that need criticism.

4. This fourth point is not a criticism, but a question: When the study was first proposed, just what did you expect the results to be?

I hope this letter will clear up a few misconceptions you have evidently drawn from the report. I will readily admit that I greatly lack experience in the field of gathering and preparing such reports, but as you say, Mr. Hofer, I expect the benefit of the doubt when my intentions and basic integrity are judged.

DENNY LOWERY.

GRAND JUNCTION, COLO.

BEHOLD THE GRASSROOTS PRESS, ALAS

(By Ben H. Bagdikian)

(NOTE.—For a modest fee, you can put your message on the editorial page of hundreds of newspapers—because smalltown publishers are surprisingly willing to turn their editorial columns over to the press agents.)

The unperishing myth of American journalism is the ideal of the smalltown newspaper as the grassroots opinionmaker of the Nation, the last bastion of personal journalism, the final arena where a single human being can mold a community with his convictions and fearless iconoclasm.

Needless to say, there are some small papers like this and they are marvels to behold. But the fact is that most small dailies and weeklies are the backyard of the trade, repositories for any piece of journalistic junk tossed over the fence, run as often by printshop proprietors as by editors. Mostly they serve as useful bulletin boards of births, deaths, and marriages (providing this news comes in by its own initiative); only in exceptional cases do they raise and resolve important local issues. When it comes to transmitting signals from the outside world, a remarkable number of these papers convey pure—that is, unadulterated—press agentry. Its subject matter, which is printed both as news and as editorial comment, ranges from mouthwash to politics—usually rightwing.

Few readers realize that the publicity pipelines supplying the small papers are numerous, gushing, and free. A dozen large syndicates provide such material without charge to local papers, sometimes in printed or mimeographed form but more often in mats, the pressed cardboard molds into which hot type metal is poured to reproduce pictures and texts cheaply. These syndicates make their money by charging a fee to the propagandists who have something to sell. Some businesses and other organizations bypass the syndicates and send out their own canned goods to be reproduced as local products.

For the past 3 years the National Association of Manufacturers has sent out editorials which have been picked up, usually verbatim, by 600 daily newspapers, most often without attribution to the NAM as source. The AFL-CIO sends out its material, too, but with far less success. In 1962 medicare was the subject of a syndicated and boilerplate battle, with a volunteer promedicare group sending out through a commercial syndicate (at a cost of about $15,000) canned material, some of it from officials of the Department of Health, Education, and Welfare. In response, the American Medical Association used the usual syndicate channels, plus three articles that it sent to local medical affiliates, which presented them personally to their local papers. The fight still goes on. Within the last few months, antimedicare editorials have appeared with miraculous similarity in widely separated places. Last May and June, for example, newspapers in South Carolina, Montana, and Michigan all ran editorials beginning, "Remember the medicare proposal of the Kennedy administration? It got nowhere."

But there is nothing like a political balance in the battle of boilerplate. In 1962 the American Press, a trade magazine for small dailies and weeklies, polled a cross section of such papers and found that 84 percent opposed any Government-sponsored medical or hospital aid to the aged, were strongly opposed to Federal aid to education, and were generally found in the rightwing Republican camp. The vast body of opinion picked up word-for-word by small papers is either strictly commercial or ultraconservative.

The reader, of course, is almost never told that he is seeing something other than the considered product of his local editor.

Look at the vision of the hard-fighting small-town editor, working late at night, his green eyeshade low, his fingers spasmodically attacking the typewriter, his mind anticipating the angry reaction to his words by people he will have to face in the street, but deciding it is his moral duty to speak his mind. But behold what happens more often. The man is at his desk, all right, but if it is a very small paper, the editor is also the owner, ad salesman, and mailer. And he is not processing issues and words through his mind. He has before him a dummy of page 2—the girdle ad on the right, the tractor ad on the left, the annual American Legion carnival stepped between them, and 9 inches of remaining space reserved for news. It is not his mind that is creating and discriminating for this space. It is more likely his right hand, fishing through the purple mats and yellow mimeographed canned editorials in his lower drawer, feeling for one exactly 9 column-inches long. Depending on the fortuitous length and the luck of his fingers, what will triumph on page 2 the next day may be an article proclaiming the virtues of prune juice for regularity (compliments of the prune industry) or an editorial condemning labor unions (compliments of a conservative lobby). This is not to say that the local editor disagrees with the prune juice or the social doctrine; one must assume that he does not. But the thrifty transmitter of the precast words of a public-relations man in Chicago who happened to plug his product in exactly 9 inches somehow seems disappointing as the hero figure of American journalism.

A FRIENDLY FAMILY BUSINESS

One of the commercial conduits for the canned editorial, but not the largest, is the U.S. Press Association, Inc., which has a cosmic sound enhanced by the parenthetical note next to its address: 12 miles from the White House. But it is a friendly family business run by a pleasant couple in McLean, Va. Mr. and Mrs. Robert Nelson Taylor will take your words and ideas, if they approve of them, and $175 of your money, and send your editorial message, free of charge, to 1,199 weeklies and 150 dailies. The Taylors don't hide from the local editor that he is getting conservative editorials that someone else has paid for. A standing box on top of the weekly batch of editorials says:

"This regular, comprehensive service is made possible by responsible American business institutions who pay an established fee to present timely business stories of free enterprise to grassroots Americans, 'the most influential people in the world.' Clients do not dictate policy * * *. Our opinions remain our own. (The Taylors' devotion to old-fashioned capitalism includes unashamed deployment of capital letters.)"

In a brochure inviting clients to buy its service, U.S. Press offers them a measure of freedom of opinion: "Easy to use * * *. Just give us your story, in conference or by mail or phone. We do the work: We write your editorial unless you want to. If we write it, or edit your copy, you have final OK."

Among customers listed by the Taylors as having bought or written editorials distributed by U.S. Press since June 1, 1951, are some of the leading corporations in the country, plus such lobbying or special-interest groups as the American Bankers Association, American Cotton Manufacturers Institute, American Legion, American Petroleum Institute, Bookmailer, Bourbon Institute, National Association of Manufacturers, and the Right To Work Committee.

Messages paid for or written by such groups go out under the masthead of U.S. Press Association, Inc., and typically are picked up by about 200 papers, each one run as the local paper's own opinion, usually on its editorial page. Mr. Taylor says he never tells the newspaper who paid for the editorial and this makes for an interesting guessing game. One mailing by U.S. Press last year, for example, included an editorial vigorously backing the railroad position in favor of enforced arbitration of its dispute with railroad unions. It called on Congress to make "arbitration compulsory." U.S. Press lists the Association of American Railroads as a paying client.

Other editorials in the same mailing:

1. Urged readers to watch a particular TV comedy program, noting that the hero gets the hilarious point of the plot "as will every viewer who has ever heard of a Purolator filter." (U.S. Press lists Purolator as a client.)

2. Praised the steel industry and said it was incorrect to assume that the price of steel is rising. (Among clients listed by U.S. Press are American Iron and Steel Institute, and United States Steel.)

3. Plugged Barry Goldwater and Brig. Gen. Bonner Fellers, head of the isolationist right-wing for America group.

Much of U.S. Press has been so fervently pro-Goldwater for so long that it was natural for it to print zealous pieces for their man before the Republican Convention, though it is not evident who paid for them. Taylor says he takes no money from political parties. In the usual accompanying editorial note to the July 14 mailing just before the Republican Convention, U.S. Press Editor Taylor quotes a favorite source, Adm. Ben Moreell, chairman of the ultraconservative Americans for Constitutional Action, denouncing Gov. William Scranton, of Pennsylvania, as "this brash young man." This was lavish praise compared to the quoted descriptions of the Johnson administration: " 'umbrella-squad' of native appeasers, peace-at-any-price champions (and) 'better Red than dead' zealots." The paid-for editorials have regularly boosted Goldwater and attacked his opponents. On July 7 an editorial said the anti-Goldwater forces in the GOP were trying to nominate a "moderate (the new word for left wing)." It ascribed this conspiracy to "Governor Scranton, backed up by his mysterious and affluent backer-uppers." In the same mailing there was another pro-Goldwater editorial entitled, "The Scranton 'Image.' " (Mr. Taylor likes interior quotes as well as capital letters.) Leaden with heavy sarcasm, it described Scranton as "a Governor of some eastern State, Pennsylvania, we believe * * * the man whom Dr. Milton Eisenhower (that's the general's eastern brother) will be explaining to the convention." (Mr. Taylor, who seems to dislike things eastern, lives and works in McLean, Va., a suburb of Washington, D.C., "out where the West begins.")

Some of U.S. Press editorials written by or for foreign clients came to the attention of Senator J. WILLIAM FULBRIGHT when he investigated the action of foreign agents last year. U.S. Press, for example, carried fervent pro-Trujillo articles paid for with Dominican money while Rafael Trujillo was dictator. One such editorial was called "Trujillo's First 'Era,' " and it said, "Today the Dominican Republic * * * is a bulwark of strength against communism and has been widely cited as one of the cleanest, healthiest, happiest countries on the globe. Guiding spirit of this fabulous transformation is Generalissimo Trujillo who worked tirelessly."

HOW NAIVE IS THE EDITOR?

Another editorial paid for by Dominican money urged readers to buy a book written by Dona Maria Martinez Trujillo, wife of the fabulous four-time President of the Dominican Republic. This U.S. Press editorial was picked up by papers in Zanesville, Ohio; Montpelier, Vt.; Beaver Falls, Pa.; Germantown, Ohio; Middletown, Del.; Calais, Maine; and Deming, N. Mex., among others.

In 1961, U.S. Press Association received $175 from the American public-relations firm, Selvage & Lee, which, acting for Portuguese principals to defend Portuguese colonial policy in Africa, hired U.S. Press to send out an editorial called "How To Woo the Communists." When Mr. Taylor was told by Senator FULBRIGHT that Selvage & Lee had received—for expenses and fees—in excess of $250,000 for its Portuguese propagandizing, the elderly man looked shocked. "I think our fees are too low," he said.

Mr. Taylor told Senator FULBRIGHT he was paid by the Netherlands Government to run an editorial praising the character of a visiting Dutch princess. "I did not meet her, unfortunately," Mr. Taylor said, "but I believe I was telling the truth." Mr. Taylor looked relieved when a Senator said he had met the Princess and she seemed to be a nice girl. Later, the editor of U.S. Press told me, "I never send out anything I do not think is good for the United States or that I think is not so." Senator FULBRIGHT obviously took a dim view of U.S. Press' editorial activities on behalf of unnamed clients. (Possibly the Senator was stung by Taylor's casual disclosure that the FULBRIGHT's own family paper in Fayetteville, Ark., had used U.S. Press editorials.) How, the Senator asked, could a local editor know that a paid propagandist, Selvage & Lee, had written the pro-Portuguese editorial?

"I think you are disparaging the judgment and keenness of the great American newspaper editor," Mr. Taylor said.

"I just want to say I don't see how you can possibly expect them to know that this editorial was written by Selvage & Lee," the Senator insisted.

"I don't intend for them to know that, frankly," Taylor replied.

Samuel Bledsoe, a Selvage & Lee official, sounded more realistic when he said, "I think it is pretty well known to anybody who is not naive that some interest is paying for it. The people who print it. They know that they are getting it free. They are not so naive."

Naive or not, the newspaper editor who receives such free editorials would have to be extraordinarily dense not to know that it was paid-for ax grinding. When U.S. Press, for example, distributed an editorial, as it did, urging the use of reflectorized tape on automobile bumpers as a safety measure, the editor does not have to know that one of U.S. Press' clients is Minnesota Mining and Manufacturing, makers of reflectorized tape, to suspect that someone is making a commercial pitch. While it is not unknown for a newspaper editor to be extraordinarily dense, it is more likely that he recognizes the press agentry but doesn't care because it is a cheap and agreeable way to fill space.

WHAT IT COSTS THE READER

The result is that almost any private citizen or special group can buy his way into the editorial columns of smaller papers with relative ease and low cost. In the process the reader loses his major protection against manipulated news—the professional journalist.

If you were a reader of the Uniontown, Pa., Independent for April 18, 1963, a weekly of about 2,000 circulation, you would have seen a column called "About Your Health." It seemed to be a syndicated news feature with a standing logotype of a silhouetted microscope. The author was Dr. R. I. Schattner, whose picture appeared in the text. The subject for the day was "Vacant Smiles," in which Dr. Schattner wrote that 22 million Americans are "without a single natural tooth" and that the major cause of this toothlessness is gum disease and the major cause of that is tartar. "However," the good doctor wrote, "tartar can be coped with * * *. During treatment, Chloraseptic Mouthwash is an excellent topical anesthetic

for controlling soreness in these tender gum conditions. This nonprescriptive medication also may be used as an antiseptic to maintain good oral hygiene."

It is no derogation of Chloraseptic Mouthwash (which has received admiring clinical reports) to report that at that time it was owned by Dr. Schattner who had invented, promoted, and was selling it. He is an intelligent, ambitious, and engaging man, a resident of Washington, D.C., who sees the public relations-news syndrome in American newspapering far more clearly than do many practitioners and professors of journalism. His column on "Vacant Smiles" appeared in about 200 papers, thanks to a strictly cash arrangement. Dr. Schattner told me:

"I paid a commercial artist about $25 to draw that microscope logotype and then I paid Derus Media Service in Chicago a little under $300 to distribute the whole thing in mat form to 1,800 weeklies and dailies. We checked placement by using a clipping service: 200 papers picked it up, so it cost me $300. If I had run it as an ad in the same papers I figure it would have cost at least 10 times as much. But as a health column or as news, it isn't advertising which would offend some professional codes, and it's much more effective."

Early this year the Wall Street Journal reported that Dr. Schattner sold Chloraseptic Mouthwash to Norwich Pharmacal Co. for more than $4 million.

Large newspapers are not safe from this flood of unfiltered propaganda. Their own processing of news and editorials is usually more professional, and while the public-relations syndicates get through with successful penetrations from time to time, the mechanical use of canned material tends to be limited in the metropolitan press to special pages like women, finance, travel, and real estate. The great, gorgeous photographs of cottage-cheese delight or tunafish pizza that are the standardized centerpieces for household pages are provided free by the companies selling the goods in the picture. If it is a color photograph, it is almost a certainty that the food company provided the expensive color separations. The glowing travel articles in some of the greatest papers show up word for word—all taken from a publicity release—in still other, otherwise great papers. In such papers, the chief difference from small papers—other than the concentration in special sections—is that the photos and text are engraved and typeset by the local newspaper, rather than being reproduced from mats. Big papers usually have unions which reject the use of mats.

For the earnest, openhearted believer in the editor as the unsleeping guardian of every inch of news and editorial space, it is a shock to look at the scrapbooks of clippings compiled by the public-relations firms. The scrapbooks are important to the process. Some cynics insist that the canned editorials and commercial pluggery have little effect on sales or persuasion and that their chief function is to fill the scrapbooks which the public-relations operators then show the clients as proof that the clients ought to continue.

This explains why most of this press agentry is plainly marked for those who know what to look for. In many photographs and cartoon features there is a symbol printed in a corner. "K," for example, means Central Feature News, which distributes free cartoons and food pictures; it also uses a small "f" for its printed features. "MS" appears on material from Master Syndicate, which has distributed, noncommittally, medicare, AFL-CIO, and pro-Nixon copy. "Z" is for Editors Syndicate, "G" for Precis, "FM" for Fred Morris Associates, and so forth. The symbol serves as a signal to the commercial clipping services which daily scan every paper in the country and compile the clippings for scrapbooks by which the syndicates and PR men keep score. There are times when an ideological point would be stronger if the lobbying group kept its name out of the canned editorial, but it is often put in nonetheless so that the clipping-service reader can pick up the key words when the time comes to see how well the distribution worked.

It may be that commercial pluggery is relatively ineffective except for convincing the propagandists themselves. But it is hard to dismiss it all. Even if the charge were true, it would put the newspapers in the position of giving away what they ought to sell, advertising space. More important, such irresponsible editing helps destroy in the minds both of the advertisers and the readers the crucial distinction by which the American press lives—the difference between news and advertising.

A PERVERSE RULE

The political effect of canned rightwing messages is not easily measured. For one thing, they appear mostly in rural areas, which tend to be conservative anyway. And, undoubtedly, most editors who put such material in their papers agree with it; perhaps, left to their own devices, they would write the same kind of pieces. But there is a profound difference between the identical NAM editorial appearing in 600 newspapers and 600 local editors thinking and writing about what the NAM has to say. The effect of the canned editorial is to make more rigid what is already a limited political and intellectual environment and to inhibit the individualistic responses which defenders of the rural life say they value.

Because rural papers have a disproportionate political impact and because they happen to be the major carriers of canned opinion, we are confronted with a perverse rule: The smaller the newspaper, the greater its relative influence in national politics.

There are 435 congressional districts in the country, and in this year's 88th Congress, 203 of these, 46 percent, were rural districts. Our population is at least 70 percent urban. In many of these rural congressional districts the leading paper is a small one, in 106 of them the leading paper has less than 10,000 circulation. In 12 of them the only paper is a weekly. To imply that a small circulation automatically means surrender to boilerplate is unfair to a number of small dailies and weeklies which, whatever their politics, are plainly the product of diligent personal editorship, and precisely in those places where this takes courage because the editor does literally have to face his readers on the street. But no one can look at the common run of small papers—and at the collected rightwing opinion which they mechanically reproduce—without being appalled at the standardized puffery that floods the countryside.

The Member of Congress almost never ignores what the small papers in his district say. For one thing, he may be interested in what the editor thinks is important. For another, he wants to know what is going into his constituents' heads. It is irrelevant to the Congressman that the editorial may be a canned one written by a paid propagandist in New York or Chicago or Indianapolis. He knows that, whoever paid for it or wrote it, when it appears in a leading paper in his district it has helped establish the political norm among his constituents.

So behold the small-town editor. He may be a conscientious journalist and community leader who thinks out issues for himself and writes what he thinks. Let the record show, futilely, no doubt, that this writer knows such men exist; some of his best friends are creative and courageous small-town editors. But beware that the grassroots winnower of great issues may not be the thinking editorial mind, but the circling editorial hand, feeling in the lower drawer for the bit of prefabricated politics and pluggery that happens to fit, in inches and ideology, that sacred interstice for which all newspaperdom is supposed to exist: the space between the ads.

RELATION BETWEEN WEST GERMANY AND ISRAEL

Mr. LONG of Missouri. Mr. President, I read with great interest the remarks of the distinguished minority leader, Senator DIRKSEN, relative to the relationships between the Federal Republic of West Germany and the Republic of Israel which appeared in the CONGRESSIONAL RECORD of March 25—pages 5863 to 5868. I would like to associate myself with my colleagues on both sides of the aisle, and especially the minority leader, in paying tribute to Chancellor Erhard of the Federal Republic of Germany and Prime Minister Eshkol of Israel for their high statesmanship and firm policy in defying the tactics of Nasser and finally establishing diplomatic relations between their two free nations, both loyal and trusted allies of the United States.

Mr. President, I ask unanimous consent to insert after my remarks the following articles relating to this matter: the New York Times, March 31, article entitled, "Germans and Nazi Trials," the Herald Tribune, March 31, article "Erhard Vows Drive Against Nazis," and the Washington Post, March 29, editorial, "Paying a War Debt."

The 8th of May will be the 20th anniversary of the enslavement of 17 million Germans who live behind the Berlin wall. The Atlantic Charter guarantees all people self-determination. We have sacrificed our men on the battlefield to help to bring freedom to this world, and I recall with deep emotions the speech delivered by the late President Kennedy in front of the Berlin wall, and statements by President Johnson, assuring the German people that we will not rest until the Berlin wall is broken down and until the German people are reunited as a free democratic nation. We have witnessed in Korea and South Vietnam what it means to fight for freedom. We will never have to witness such a tragedy between the two parts of Germany, as the Germans behind the wall are praying daily to be reunited with their own countrymen, as they have experienced communism firsthand, and are longing for the day when the commitment will be carried out that they are free again and part of their own country. Just think of it, Mr. President, it is already 20 years, and a new generation has come into being in the Federal Republic completely democratically inclined—a country that was built from ashes with our help and the help of our allies under the brilliant leadership of former Chancellor Adenauer and his distinguished successor, Chancellor Erhard, with the help of all our allies and the help of all the German political parties.

I think it is important for us to recognize who the man is that Moscow has imposed on the German people behind the Berlin wall as their boss and dictator. He is an old Stalinist, Walter Ulbricht, and I believe it important that we and all the free world keep in mind that 17

million people who want to be free still live under the yoke of the old Stalin creation. I pray that it will not be long and that this matter can be settled peacefully and through negotiations. The Soviet Union was a party to the four power agreement, and must be reminded to carry out its bargain. Without the help of the United States, the blood we shed and the equipment we provided during World War II, the Soviet Union, too, could well have been enslaved completely under Hitler.

The President of the United States has repeatedly pleaded for peace. He, like all of us, abhors war, and warlike action. Therefore, the United States must be strong, remain strong, in order to keep peace. While our present attention is with the situation in the Far East and South Vietnam, let us not overlook our commitment to our loyal allies. The Federal Republic has carried out its commitment now to Israel and has also extended the statute of limitations against Nazi murderers in order to find all the criminals who were tools, executioners and terrorists of Hitler and brought so much tragedy to the free world.

I, too, want to join the minority leader in paying tribute to American Jewry, which played a historical part in its restraint on this problem. I know when the day comes that the German Ambassador reports to the President of Israel to present his credentials, and the Israeli Ambassador arrives in Bonn to present his credentials to the President of the Federal Republic, it will be a day in which not only all free nations will rejoice, but especially our countrymen of German ancestry and Jewish faith.

I am glad that the minority leader has made available to us his documentation and analysis of this great historical event. In the days ahead I hope that many Members of Congress will take the floor to remind the free world that the fight is not over until every man is free and the people behind the wall have again become citizens of their own country, the Federal Republic of Germany.

Last week distinguished professors from American and European universities and renowned statesmen and members of the European parliaments had a 3-day conference in Chicago, sponsored by the Foundation for Foreign Affairs, Inc. At this conference Dr. Axel Seeberg, editor in chief of the Soontagsblatt, Hamburg, who ranks as one of the world's great foreign affairs editors, delivered several lectures to this distinguished audience on the reunification of Germany. I ask unanimous consent that a summary of his lectures be inserted here in the RECORD so we all have the benefit of his penetrating analysis of the situation.

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

[From the Washington (D.C.) Post, Mar. 29, 1965]

PAYING A WAR DEBT

The crimes committed by the Nazi regime continue to haunt the politics of West Germany. By extending the period for 5 years in which war crimes can be prosecuted, the Bundestag has shown a decent respect for world opinion even though the decision will be unpopular with many Germans. Under existing laws, no new prosecutions for war crimes are possible after May 6—the 20th anniversary of the German surrender. The bill which the Government is expected to approve changes the base year for the 20-year statute of limitations to 1949, when the Allied occupation regime formally came to an end.

Chancellor Erhard's decision to favor extension is causing him political problems. A dissenting Minister of Justice, Ewald Bucher, is resigning. Mr. Bucher is a Free Democrat, and the Chancellor needs his party's votes to command a majority in Parliament. It is considered unlikely that any other Free Democrat would agree to serve as Minister of Justice and sign a bill that is opposed by his party.

Yet Mr. Erhard can have the satisfaction of being on the right side of the controversy. The Nazi crimes were unique in their horror and unparalleled in magnitude during this century. To argue that extension of the statute of limitations is somewhat comparable with Hitler's own infringements on basic laws is to contend that the excesses of Nazism provide an argument for allowing Nazi murderers to escape punishment. It would be highly disquieting if misplaced devotion to the letter of the law led Germany to exempt from prosecution those involved in systematic extermination of millions of people.

Five years is a minimum period of extension, and the problem will arise again in the future. But for the moment Chancellor Erhard and his supporters in the Bundestag have made an important payment on Germany's enduring war debt.

[From the New York Times, Mar. 31, 1965]

GERMANS AND NAZI TRIALS: PEOPLE BELIEVE THAT THE NEW GERMANY IS BEING MADE TO PAY FOR SINS OF OLD

(By Arthur J. Olsen)

BONN, March 30.—Shortly after the West German Parliament approved extension of the statutory deadline for the prosecution of Nazi criminals, a television commentator sarcastically suggested the unpopularity of the move.

"I should like to express the thanks of the German people to the members of Parliament for the high level of the debate, and to the people of Tel Aviv and New York who made it possible," he said.

The commentator pointed up the feeling that the extension bill was enacted under heavy pressure from abroad.

In one opinion poll 73 percent of the women and 65 percent of the men approached replied "yes" to the question: "Do you think prosecutions of Nazi criminals should be brought to an end?"

The small Free Democratic Party, whose strategists have decided to seek electoral fortune this year in an appeal to the nationalists' vote, took this and similar opinion studies at face value.

This was the basis of the Free Democrats' decision to oppose dramatically any extension of the hunt for Nazi criminals.

BONN NOT ENTHUSIASTIC

It is by no means certain that the small party's position will assist its struggle for survival. It is clear that the West German Government took one of the major moral decisions of its brief history without enthusiasm.

Did this action mask a lingering sympathy for the gray-haired men and women who are marching to the dock in courtrooms all over the Republic? Do West Germans today privately repudiate their formal repudiation of Germany's Nazi heritage?

Barring the insignificant right radical fringe—1 or 2 adult citizens out of 100—this is patently not so. Rarely is a voice raised in defense of the accused—even of the group of elderly nurses who explained to a Munich court that they had given lethal injections to mental patients because Herr Doktor had assured them that it was not only legal but merciful to do so.

West Germans recoil from the repetitive trials today because they feel that the new Germany is being made to pay for the sins of the old.

For the ordinary citizen, who does not identify with the ex-Nazi defendants, these trials mean first of all a raking over of the vanished past to the injury of the painstakingly built reputation of post-Nazi Germany.

West German Army conscripts, not yet born in the Hitler era, were met on a NATO exercise in Denmark this month with protest demonstrations and cries of "Nazi!" Reading about it back home, their fathers think it would not have happened if the trials had not freshened old memories.

OTHER EFFECTS OF TRIALS

The trials also tend to exacerbate a problem of generations ("What did you do during the war, father?") And they offer the country's extreme right an opportunity to hitch its kite to a potentially broad-based resentment.

Many a citizen, holding no brief whatever for the man in the dock, honestly believes it is healthier for the new Germany to "close the books." Most of all, he believes it is time for the world to let the German people off probation.

"When you consider Germany's history as a whole, we as a nation have nothing to be ashamed of," said Chancellor Erhard in a recent speech in Berlin.

"The German people have again become somebody," he told a Christian Democratic Party rally Sunday.

But Dr. Eugen Gerstenmaier, the President of the Bundestag, said the next day that this was not yet quite so.

"German policy in the West must take into account a continuing reserve and inner aloofness, even if it be politely veiled," he said.

Not a few West Germans, as judged from letters to the editor and afterhours discussions in bars, react to their continuing "probationary" status with a sense of injustice.

Germans were the victims as well as the perpetrators in the savagery surrounding World War II, they say. Who is wringing his hands over the unpunished murderers in Eastern Europe, for example? they ask.

Despite the side effects of the trials of Nazis and the wish that it all could be consigned to history, West Germany has decided to go forward with the Nazi hunt and the prosecutions for at least almost 5 years more.

This was the achievement of a group of West Germans that is very probably a numerical minority—older persons of conscience and a younger generation that insists on "mastering the past."

A little-noticed fact of perhaps equal significance is that only a much smaller minority found a voice to raise in protest.

[From the New York Herald Tribune, Mar. 31, 1965]

ERHARD VOWS DRIVE AGAINST NAZIS

DUESSELDORF, GERMANY.—Chancellor Ludwig Erhard yesterday assured an American Jewish leader that there will be no letup in West Germany's effort to bring to justice Nazis guilty of crimes against the Jews.

Mr. Erhard made the pledge to Rabbi Joachim Prinz, president of the American Jewish Congress and chairman of the conference of presidents of major American Jewish organizations.

Rabbi Prinz told newsmen later that he had "full confidence" in Mr. Erhard's assurances.

A Bonn spokesman said Mr. Erhard stressed to Rabbi Prinz that West Germany will "firmly and conscientiously continue its efforts to investigate the crimes against the

Jews during the Nazi dictatorial era and bring the guilty to justice."

He said Parliament's recent vote to extend the statute of limitations on Nazi murders from this May 8 to January 1, 1970 was discussed "within the framework of general problems of common interest" by Mr. Erhard and Rabbi Prinz in talks at a Duesseldorf hotel.

Rabbi Prinz came here from West Berlin where he was the guest or Mayor Willy Brandt and the city government.

Rabbi Prinz told a news conference that Mr. Erhard "impresses me as a man of deepest convictions who stands by his word and belief. One can trust him."

Rabbi Prinz said he "regretted to have to report my impression that too few Germans take an interest in politics * * * West Germans strike me as generally too well-fed and complacent."

But he said students he talked to at West Berlin's Free University "show there are still young people who express themselves freshly and critically." He said he received many "sympathetic and interesting" letters from all parts of the country during his visit. One, Rabbi Prinz told newsmen, was "anti-Semitic in content." It was unsigned.

THE HOPES AND FEARS OF GERMAN REUNIFICATION

(By Dr. Axel Seeberg, Sonntagsblatt, Hamburg)

SUMMARY

(The following summary contains an abridgement of parts 1, 2, and 3 of Dr. Seeberg's lecture. Part 4, concerned with the division of Germany as an aspect of German politics, is given in full. Part 5, dealing with the Soviet attitude toward the German question, is again abridged, while the concluding section on possible solutions of the German question is again given in full.)

The remarks to follow constitute the personal observations and opinions of the speaker. As a German, he cannot avoid a feeling of involvement in many respects; an involvement that cannot be suppressed in describing or judging specific problems. There are a number of moral approaches to the German problem. One such approach that has been relatively little discussed lies in the attempt by the rulers of the Soviet zone to bring about a systematic transformation of human consciousness, against the will of the individuals concerned. It is the speaker's conviction that such attempts to manipulate human personality belong among the gravest crimes against humanity, and are little better than the physical destruction of human beings. This judgment is based on the fact that the distinguishing feature of human personality is spiritual existence.

The second part of the presentation deals with the division of Germany and with efforts to reunite that country, with special reference to factors that endanger world peace. The speaker considers the division of Germany dangerous because it is based on a vacuum in the center of Europe. So long as this vacuum is not filled by a relatively powerful state, the continued presence of Soviet troops in the eastern part of Germany and Western troops in West Germany will be inevitable, the function of each force being to prevent the other from occupying the rest of Germany. This situation results in the immediate confrontation of Western and Soviet troops, so that every incident involves the danger of an immediate warlike encounter of Western and Eastern troops. It is an illusion to believe that relaxation alone, without German reunification, can effectively change this situation. The objection sometimes raised in Eastern quarters, that efforts to achieve reunification disturb the laboriously maintained world balance of power and thus endanger peace, has no basis in fact. It is clearly far less dangerous to seek a controlled reunification through a common policy of the four responsible world powers than it is to leave things to the spontaneous turbulent course of history.

The foreign policy of the German Federal Republic seeks the following objectives: Security for the Federal Republic; maintenance of world peace; European unification; and German reunification.

Because of moral considerations, because of popular desire for a policy of peace, and because it recognizes the limitations of the German power potential, the Government of the Federal Republic has renounced any aspirations toward world power. In this respect, it has set its goals lower than those of the Kaiser's Germany or National Socialist Germany. This fact is reflected in the German renunciation of atomic weapons. The German abandonment of claims to world power has its effects, both in shaping the specific goals of reunification, and in the choice of means to achieve them.

During the first 10 years of its existence, the Federal Republic accorded security a certain priority over the other goals. After a degree of military balance and the resulting security had been achieved through NATO, the European and German goals assumed a more prominent position. The overtly nationalist policy of President De Gaulle in Common Market negotiations has resulted in the strengthening of public support for national political goals within the Federal Republic. Reunification, however, never has been and is not now the only foreign-policy goal of the Federal Republic. The goal of reunification and the other goals of German foreign policy exert significant mutual influences on each other.

The following arguments are advanced in Germany to support efforts toward reunification:

The sundering of human ties is unbearable; the unity of Germany corresponds to the general national structure of States throughout the world, especially in Europe, and most particularly in Eastern Europe. The will for reunification therefore a natural, spontaneous, and elementary phenomenon; denial of German unity violates the principle of democratic self-determination;

Only German reunification can lead to genuine relaxation and thus to permanent peace;

Reunification will reduce the danger of a bolshevisation of Europe;

The reunification policy of the German Federal Government is expressly recognized by the Western Powers in the general agreement of 1954, and accepted as a goal of Western policy.

Various arguments against German reunification are advanced by the governments, Communist parties, and certain sectors of the population in Eastern bloc States. Analogous arguments are heard in the West from certain sectors of public opinion.

One line of argument commonly heard in the East admits the possibility of German reunification in principle, but attempts to eliminate it as a subject of quadripartite negotiation and thus to hamper reunification altogether by focusing attention on the establishment of two German partial states, which are supposed to negotiate with each other. Another argument is that reunification is impossible in any case because of the different political structure of the "two German states." It is sometimes contended that reunification can take place only when the "socialist achievements" of the German Democratic Republic (Soviet Zone) are extended to all Germany. Every now and then a limited demilitarization of Germany is mentioned as a prerequisite for reunification. One argument that is not encountered is that a new popular consciousness, that is to say a new nation, has arisen in the Soviet Zone.

Among the arguments against German reunification heard in the West is the contention that it cannot be realized because of Russian objection. In the interest of general relaxation of tensions, therefore, the demand must be set aside. It is also argued that the German people does not strongly desire reunification, and that a new national consciousness is emerging in the Soviet Zone. Still another argument is that a reunited Germany could not be integrated into the Western military system and would therefore destroy Western security. Some argue that considerations of security would lead a reunited Germany to follow a policy of military strength that would involve it once more in the quest for world power. Finally, it is argued, that a reunited Germany would, through its size and strength, exercise a natural hegemony within the European Economic Community. Such a development would either make European unification impossible, or lead to its abuse by Germany.

So far as the attitude of the German people and the alleged new national consciousness in the Soviet Zone are concerned, these objections are without any foundation. In assessing popular movements, it is never to be expected that they will involve all people to the same degree. The test is rather that of mass resonance to goals actively promoted by relatively small elites. Resonance to the movement for German unification is clear and generally positive in both parts of Germany. Only the small minority of convinced Communists rejects unification, and they are by no means unanimous about it.

There is no difference in the opinions of political parties, religions, or sociological groups in West Germany concerning the desirability of German reunification. In the Soviet Zone, it is theoretically possible that a new national consciousness might some day emerge. Such processes tend, however, to last several generations, especially when they have to overcome traditional forms of political awareness. Because the Soviet Zone is closely linked to current happenings in West Germany through the television, radio, and other media, the process of separatist political development would probably take longer than would have been the case in earlier centuries. At the present time the vast majority of the population in East Germany regard the Communists as tools of Soviet imperialism. A certain identification with the misery of the Soviet Zone may also be observed, but does not change this fundamental attitude.

Concerning the division of Germany as an aspect of Soviet foreign policy, the speaker points to two different sets of motives that guide the Kremlin in its foreign affairs. One set reflects traditional Russian imperialism within regional limits, and the other is an expression of Communist world-revolutionary politics. The two patterns are mutually interlocking. The importance of Russian national politics for the Communist Party derives from the fact that—in Europe at least—Russian imperialism has proved to be the single available means for spreading communism. In Moscow's East European vassal states, communism rests on the points of Soviet bayonets.

Since 1945, Soviet policy concerning Germany has manifested two different tendencies. At times, the Kremlin has sought to restore an all-German state. Its motive in doing so was the desire to head off the possible exploitation of the West German potential by the Western Powers. Since 1955 the Soviet Union, having recognized the failure of a policy based on reunification, has adopted the opposite policy. From then until the present time it has adhered to a policy of preventing reunification.

From the contemporary Soviet point of view, the following reasons militate against a reunification of Germany:

1. The possible deterioration of Russia's strategic position in Europe;

2. The danger that reunification would raise for communism in East-Central Europe;

3. Fear that a reunification would be regarded as a defeat for the Soviet Union and for communism in Europe; and

4. The pressure of world-revolutionary agitation by China.

A factor which might lead Soviet policy to look more kindly on the prospect of German reunification is the realization that neither the German people nor the Western Powers are prepared to abandon reunification as a long-range objective. Because of this, the Russian position in Eastern Germany is bound to collapse whenever Russia is shaken by a serious crisis. The Soviets might also consider that, because of the importance of the German Federal Republic with its 12 divisions for Western strategy, any attempt to achieve relaxation of world tensions through a Russian-Western arrangement without a solution of the German problem is certain to founder on the rock of German resistance. The Soviet Union could, on the other hand, achieve a far more rapid development of its economy by the reallocation of wasteful armament expenditures for productive purposes—a reallocation which a genuine solution of the German problem would make possible.

There is no doubt that contemporary Soviet foreign policy is dominated by negative considerations. The Soviets hope to overcome the Western Powers, the Federal Republic, and the resistance in the Soviet Zone through a policy of attrition. In concluding this section, the speaker warns against the false hope that the so-called liberalization in the Soviet Union will have any significant influence on the European policy of that state. Talks on relaxation of tensions are designed to achieve a consolidation of the position of the Soviet Union in central Europe combined with a reduction in armaments. They do not contemplate the liquidation of Soviet imperialism in that area.

In considering, finally, the possibilities of finding a solution to the German question, it is hardly necessary to observe that neither war nor the threat of war are acceptable means. Both are excluded by the realities of atomic warfare and the atomic pact. For this reason the strategy once contemplated by John Foster Dulles is no longer available. Aside from the possible exploitation of unpredictable events, such as a serious weakening of the Soviet Union, the only way to achieve reunification is through agreement of the four powers, who both formally and in fact are responsible for the German question. The Western Powers are definitely determined to achieve the goal of reunification. The Soviet Union has attempted since the mid-1950's to secure the abandonment of this goal. A change in the Soviet attitude is only conceivable if the interest of the Soviet Union in solving the problem can be aroused.

A Soviet interest in solving the German problem might emerge as a consequence of the Soviet desire for disarmament or arms limitation—a desire that is a matter of controversy in Soviet internal politics. It might conceivably be an attractive prospect for the Soviet Union to be able to employ its own economic potential for general development of the country—especially for internal consumption and as a tool of foreign policy to gain influence in Asia and Africa—rather than expending it on the armament of military divisions. With this thought in mind, the Kremlin might be led to accept the idea that disarmament must be accompanied by appropriate solutions of political problems, without which it remains impossible. Considerations of this kind formed the basis for the Herter plan, which contemplated the combination of gradual disarmament and a gradual solution of the German question. Pursuance of the plan was blocked by the Soviet hope to achieve disarmament or arms limitation without concessions on political matters, as well as by the change of Government in the United States.

SENATOR ANDERSON HONORED—BACKS RESOURCES COUNCIL PROPOSAL

Mr. McGOVERN. Mr. President, on Friday evening, at its eighth biennial wilderness conference, the Sierra Club made the senior Senator from New Mexico [Mr. ANDERSON] an honorary lifetime member—a recognition he very richly deserved. I take special pride in the brilliant career of the Senator from New Mexico, because he is a distinguished native son of South Dakota, and a graduate of my alma mater, Dakota Wesleyan University.

Among the numerous conservation measures which Senator ANDERSON has successfully sponsored in the past few years is the Wilderness Preservation Act. That act, which I was privileged to author as a Member of the House in 1957, is a historymaking document. It is the first time in world history that a nation has established a system of undisturbed, natural areas, to be preserved in their natural condition, for recreation, scientific, and cultural values.

The Senator from New Mexico was also the author of the bill, in 1958, which set up the Outdoor Recreation Resources Review Commission. It has led to the creation of a Bureau of Outdoor Recreation, establishment of a land and water conservation fund, and a major national movement to provide adequate recreational facilities for our citizens.

He is the author of a Water Resources Research Act, now in operation, which the Senate has voted to expand. He is the author of the river basin planning bill, S. 21, which the House of Representatives last week passed by a vote of 383 to 0, thus duplicating the Senate's unanimous approval. It will undoubtedly become law in a matter of weeks, for the differences between the House version and the Senate version are not of great consequence.

The Senator from New Mexico has sponsored saline-water conversion legislation. He is the author of a weather modification bill now before the Commerce Committee. It was Senator ANDERSON's suggestion that atomic-power production and saline-water conversion be combined in a single operation, which now promises to cut water-conversion costs to practicable levels.

All of us have taken a great deal of pride in the conservation record of the 88th Congress. A very great deal of the credit for it goes to Senator ANDERSON. He fathered much of the legislation on which the record of Congress was based. He has provided resources and conservation leadership for all of us.

Because of Senator ANDERSON's wide grasp and significant record in the resources and conservation field, it was a matter of great satisfaction to me that in his address to the Sierra Club conference, he strongly recommended the establishment of a Council of Resources and Conservation Advisers, as proposed in Senate bill 938, introduced earlier this year by myself and 13 cosponsors. It is a proposal endorsed in 1960 by the Democratic platform and the Democratic presidential candidate John F. Kennedy; and I hope we shall finally get it enacted into law in the present Congress.

Senator ANDERSON's address, dealing very broadly with resources and conservation problems, is well worth study by every Member of the Congress and others who follow the CONGRESSIONAL RECORD. I ask unanimous consent that the address be printed in the RECORD.

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

REMARKS OF SENATOR CLINTON P. ANDERSON, AT NINTH BIENNIAL WILDERNESS CONFERENCE, SAN FRANCISCO, CALIF., APRIL 2, 1965

This is my second appearance at a Sierra Club event within 5 months. In November, I had the pleasure of addressing the Rio Grande chapter at Santa Fe. Tonight—as then—I feel at home among old friends, among comrades in arms in the long struggle to save wilderness America.

Those who roam the wilderness years from now will marvel at its quiet and its charm. But they may neither remember nor appreciate what organizations like the Sierra Club and the Wilderness Society did to preserve it. Those of us who do, however, will remain forever grateful.

Together with its allies in the conservation movement, the Sierra Club came to Congress again and again and again to plead the cause of wilderness preservation. National attention was centered on the need to endow future generations with an inheritance of the land—land with a wild beauty as yet unscarred by man; land remote in mood and location but accessible to those who want to experience the wilderness.

After 8 years of hearings, reports, debates and off-stage conversations, we have at last created a system to preserve wilderness areas. No one man, no single group was responsible for that historic achievement. But Vice President HUBERT HUMPHREY blazed the trail in Congress by introducing the original wilderness bill—and in the highest administrative circles will be our ally. The roll of honor includes the late Senator James Murray of Montana; his successor, LEE METCALF; Senators FRANK CHURCH and TOM KUCHEL, and Congressmen WAYNE ASPINALL and JOHN SAYLOR, to name but a few. It also includes Aldo Leopold and Howard Zahniser, who are no longer with us, and Dave Brower.

There will be other heroes. For the long struggle to save something of America's wilderness for our children did not end with the passage of a law. The next few years will be crucial. They will tell how well we succeed in creating a wilderness system under an act we finally accepted, though it is considerably less than we would have liked.

The Interior Department is reviewing all roadless areas of 5,000 acres or more in the national park system and similar areas regardless of size in the wildlife preserves and game ranges. The Department of Agriculture is reviewing some 5½ million acres of primitive areas in the national forests. These surveys, over a 10-year period, are in accord with the Wilderness Act's provision for the submission to Congress of proposed new areas for inclusion in the wilderness system.

We need, however, to look beyond the areas specified for potential preservation in the Wilderness Act. It is here that the struggle will go on. Those who forced us to compromise did not intend to make it easy to save

additional land for future generations. We are going to have to justify each additional wilderness area, beyond the 9.1 million acres of the original Wilderness Act.

One of the most promising attempts to supplement the Wilderness Act—an effort that deserves the warm support of conservationists everywhere—is the Wild Rivers Act, introduced in Congress last month by Senators JACKSON and CHURCH.

This act "finds that some of the free-flowing rivers of the United States possess unique water conservation, scenic, fish, wildlife, and outdoor recreation values of present and potential benefit to the American people."

Congress would be given the power to designate such unspoiled river sections—in sparsely populated areas, near the sources of the rivers, and above any damsites—as wild river areas, to be administered for present and future generations by the Departments of Interior and Agriculture. Six river segments are so named in the act, and nine others are listed for study in the act.

Some critics of the Wild Rivers Act wonder what effect it will have on flood control. If dam construction is prohibited in wild river areas as a hindrance to the free flowing of the river segment, won't these segments be susceptible to damaging floods?

One of the best answers to this question was given in a letter written me 2 weeks ago by the Sierra Club's vice president, Dr. Edgar Wayburn.

He pointed out that damming is only one way—and a comparatively expensive way—to cut down flood damage. It is, of course, the only way in the more heavily developed, populated areas.

But, as Dr. Wayburn points out, there may be another way to minimize flood damage in wild river areas. That way is to protect the river from wastes and debris caused by industry, logging, or mining. This is one of the things that the Wild Rivers Act will accomplish.

Dr. Wayburn claims—and I think he is correct—that much of the damage caused by the flood disasters out here last December came because of silt and logging debris that hindered the water from returning quickly to its natural level.

The Wild Rivers Act will cut down flood damage. It will not interfere with dam building in populated areas where such work is appropriate, and it would prohibit the clogging of rivers with junk in sparsely populated areas where it is not economically feasible to prevent floods by building dams.

The Wild Rivers Act is at once a conservation bill, a recreation bill, and a flood control bill. It deserves to be passed, and my hope is that everyone within the sound of my voice will support it.

This has been a profitable period for those who love good books on the out of doors, and I am collecting a 5-foot shelf of conservation classics. On the shelf sits Rachel Carson's "Silent Spring," Stewart Udall's "The Quiet Crisis," "Resources in America's Future" by Landsberg, Fischman, and Fisher, "Whose Woods These Are" by Michael Frome, "The Last Redwoods" by Hyde and Leydet, "Tomorrow's Wilderness" by Leydet, and finally, a lovely volume, "In Wildness Is the Preservation of the World."

Last year onto the shelf went Harold Barnett and Chandler Morse's new look at the prospects for natural resources. They found that, except for timber products, technology has made possible the production of commodities of every sort more cheaply and with less effort than in the past. Technology has also made it possible to discover more mineral deposits, to utilize lower grade ores and create substitutes, such as plastics.

I fully expect that we will again be charged with locking up minerals and undoubtedly there are some materials of value in some wilderness areas. However, the Barnett-Morse study makes it clear that there is no presently foreseeable need to exploit such resources.

There is not a great deal of timber in prospective wilderness areas. During consideration of the wilderness bill, it was determined that there are only 4.7 million acres of commercial forest land in the 14 million acres of wilderness-type areas in the national forests. And this ignores the fact that much of the 4.7 million acres is inaccessible at high altitudes and is of low productivity.

Local pressure for economic development may prove to be the gravest threat to the preservation of unspoiled areas in the years just ahead. It always will be difficult to persuade a community that a nearby resource should be left undeveloped or held in reserve because there is abundance elsewhere.

Consequently, it seems to me that it is especially important that conservationists seek enlightened solutions to conflicts over land use and encourage application of the most improved technology to resource problems.

Some 52 million acres of accessible forest lands in the Nation are now idle. Planted to trees, this acreage could produce at least 12 times as much timber as the inaccessible wilderness areas. But insects, fire, disease, and other hazards cost the commercial timberlands 4 billion board feet annually—80 times the growth capacity of the wilderness forests and nearly the equivalent of our present annual timber cut.

There would be far less pressure on timber in wilderness if that potential production were realized. It would be farsighted for those who want to preserve an adequate amount of wilderness and scenic beauty to put full timber production potential on their agenda.

I know that you want that timber production to be conducted without disruption of watersheds. Dr. Wayburn made that dramatically clear in his letter. He showed how large logging operations and shortsighted land practices contributed to the flood devastation.

While the road ahead is difficult, I believe a good beginning has been made because there is wider acceptance that—in the words of Mr. Justice Douglas—"The esthetic values of the wilderness are as much our inheritance as the veins of copper and gold in our hills and the forests in our mountains."

Most people who use the wilderness live in cities. And while it is true that most of these areas are far from the heavy concentration of population in the East, it is also true that 16 wilderness and primitive areas are within a few hours' drive of large urban centers in California.

The conservation movement is moving to town—and it is high time.

I was born in South Dakota before the turn of the century and in that day 7 of 10 Americans lived in rural areas. Now 70 percent of us live in areas having an urban density of 1,500 persons a square mile. A generation from now 3 of every 4 Americans will be city dwellers.

For these, it is not enough to have magnificent national parks and forests in the Far West. There is a growing nationwide demand for natural areas of rest and recreation. Recognition of this is apparent in the President's proposal for six new parks, lakeshores, recreation areas, and seashores east of the Mississippi River.

We must never forget that the fight to preserve beauty and cut down on pollution is national, not regional. We shall always cherish the memory of those great inspirers of conservation movements from the East: Theodore Roosevelt, of New York; Gifford Pinchot, of Pennsylvania; and John F. Kennedy, of Massachusetts—tall men who stood tall.

President Johnson has declared his intention to use revenue from the Land and Water Conservation Fund to acquire lands needed to bring the proposed eastern parklands into being.

Much of the value of the Land and Water Conservation Fund—which became law last fall—will stem from its application to metropolitan areas. "Give priority attention," the President instructed the Secretary of the Interior, "to serving the needs of our growing urban population." Conservation Fund dollars will be used to acquire desperately needed recreation areas for urban and suburban residents.

It should not be necessary for families in cities to have to embark on an expedition to see a stand of trees or a grassy field.

There is a tendency, however, to regard the fund as primarily for a massive park program. Those who do should recall that the Federal portion of the fund shall be used to obtain inholdings with wilderness areas of the national forest system and to acquire areas for the preservation of species of fish or wildlife threatened with extinction. The State portions will be used to obtain State parklands and the urban and suburban recreation areas.

Money is already accumulating to get the conservation fund on its way. One source of revenue is the sale of recreation conservation automobile stickers. It is estimated that these stickers will net the fund $35 million this year. I have one on my bumper—No. 13 for good luck. And I wish the sticker sale good luck too; because if sales fall short of expectations, the idea of the recreationist paying for a substantial part of the benefits he receives will go down the drain.

In this conservation fund, we have brought together a variety of needs—those of the wilderness people, the wildlife enthusiasts and the fellow who simply wants a refreshing place to sit or hike or bike right around home. It is meaningful that visitors to the great parks, sweeping oceanside areas, and lonely game preserves will—through their entrance fees—help provide themselves and neighbors in town with outdoor recreation sites.

A national policy has been laid down to acquire recreation lands. The conservation fund gives us the means for financing this ambitious program. But we need to move quickly, to act at the floodtide of public support.

Just 3 decades ago the National Park Service surveyed the Atlantic and gulf coasts for undeveloped seaside areas desirable for public recreation. The Service recommended that 12 major shorelines—437 miles of beach—be preserved as national areas. Cost of these unspoiled stretches was $12 million. Regrettably only one area was acquired—the rest went to private and commercial developers.

Some seashores still remain—by good fortune—for potential inclusion in the national park system: Assateague in Maryland and Virginia, Oregon Dunes and Cape Lookout in North Carolina. And on the Great Lakes, there is the promise of public ownership for Sleeping Bear and Indiana Dunes.

Crowded recreation facilities and advancing bulldozers and developers have frightened the people and made it possible to win support in recent years for new recreation and wilderness facilities. We are at the peak of an interest cycle. Let us make sure that we do not get a wilderness system started, the outdoor recreation job partly done, and then find that this interest has subsided.

We have—as a nation—paid attention to resource problems on a crisis basis. We are alerted to the water crisis, the timber crisis, the pesticide crisis, the strip mine crisis. I have no question that it is the squeaking crisis which gets the oil. But is it the wisest way for a nation to develop and manage its resources for 190 million today and 330 million by the year 2000? I think not.

A Council of Resource and Conservation Advisers might help to avoid the potential wastefulness of reaction only in the face of crisis. It might enable decisionmakers to take more initiative in advance of a severe resource problem rather than after it has ballooned to massive proportions.

The Council would be an arm of the executive branch, but it would serve all of Government in much the same fashion as the Council of Economic Advisers. The Council of Economic Advisers does not create national economic policy, but it gathers the information and does the advance thinking essential to the shaping of enlightened policy. It is still up to political leaders to create and implement tax and fiscal policy. By the same token, Members of Congress and Cabinet officers would still be left with the responsibility to make sound conservation policy.

But the Council of Resource and Conservation Advisers would help chart the way toward appropriate conservation measures. It would let us know where we stand and where we should be heading.

The need for such a continuing high-level examination of natural resource matters was in the mind of the National Academy of Sciences when it recently said:

"It is evident that optimization of natural resources for human use and welfare cannot be achieved by fragmentary and sporadic attention given to isolated parts of the problem, but that the issues involved must be made the subject of a permanent, systematic process of investigation, recording and evaluation, carried on continuously in reference to the total perspective."

This kind of evaluation should be applied to all decisions affecting natural resources—particularly when they are irretrievably lost, once used or altered by man. The proposed high dams on the Lower Colorado River are a case in point. Before more dams are authorized, some of us want to know if the power to be produced is really economic and necessary or whether it is included as a way which has worked elsewhere and may now be the only way to finance the central Arizona project.

The most desperately needed resource in the Colorado River basin is water itself. Some experts are advising storage in aquifers in that area to avoid losses to wind and sun.

The economics of further storage of surface water for power—even in relatively narrow reservoirs—is open to serious question, even without a charge for evaporation and recognizing that water has certain peaking capacity values over other sources of power.

The closest kind of study should be devoted to a detailed comparison of alternative energy sources for generating electricty. The Four Corners region of New Mexico, Arizona, Colorado and Utah is underlaid with large deposits of coal. Some of that mineral abundance is now being used to generate electricty at quite favorable costs. There are other proposals in the talking stage for additional coal-fired plants at the mineheads of the Southwest.

While conservationists may look upon coal as a bulwark against encroachment on the Grand Canyon, they rebel against its use to produce kilowatts at certain other places. The banks of the St. Croix River are echoing to the sounds of battle between those who want the economic advantages of a large coal-burning electric plant and those who fear the blighting of our loveliest spring-fed rivers.

Jobs and a bigger tax base are tangible—a community can measure and feel that income. But what of the so-called intangibles—a clear stream for fishing or boating or just for looking at. They become less intangible when measured against the cost of restoration—if restoration is even possible. And, of course, recreation makes jobs and produces taxes.

If coal barges, slag piles and warm water from the plant will despoil the river, is there an alternative that will give the area electricity and payrolls without scenic and recreation damage? An atomic reactor offers a possible answer. It would avoid ugly slag heaps, high stacks and barge traffic. It would not pollute the atmosphere and it might be possible to avoid heating the river water. I think you are going to find that atoms for conservation make sense in many situations.

I was interested to read in the Bulletin of the Atomic Scientists the account of the fight over the Bodega Head power reactor. Your club had something to do with the withdrawal of the reactor project. Unequipped with all the details of that dispute, I would not attempt to plead the case for either side.

But I would counsel you not to reject nuclear reactors in all cases out of a fear that these powerplants can behave like bombs or that they will spew radioactive wastes into the atmosphere. Rather I would hope that the Sierra Club and other conservation groups will view the atom as an ally in the cause of intelligent resource development.

"Not blind opposition to progress but opposition to blind progress" is a principle that may serve us well in this matter.

While I have been close to the conservation movement for many years, I have long had a continuing involvement with atomic energy. I am optimistic about the alliance of the atom and conservation. Linked with desalinization plants, atomic energy will help provide additional water. In some areas, atomic power may lessen the need to lay bare hillsides to get at coal seams. Reactors will firm up hydropower so that large volumes of water do not waste into the sea without being productive. Atomic fuel will lessen airpolluting smog. And atomic energy can extend the fossil-fuel resources of the country.

Albert Schweitzer has said, "Man can hardly even recognize the devils of his own creation." But I believe that we are coming to recognize the problems posed by rapidly advancing technology. Like the genie in the lamp, technology can be used to enhance the quality of life or leave it barren. We will seek its blessings.

I foresee an intensification of the conflicts between what some label progress with a capital P and others call progress with a question mark. We are going to hear more and more "payrolls or picnickers." In the cities and suburbs the roadbuilders who want to pave over woodlands and level neighborhoods are racing with those who ask: "Is there a better way to move people in metropoles?"

As I suggested in Santa Fe last fall, "All the angels are not on the side of the conservationists." But these problems demand our concern; how they are resolved will determine to a large extent the character and atmosphere of American life for generations.

Although the battle must be waged wilderness by wilderness, river by river, park by park, we must see conservation in its total dimensions. We must master technology for the broadest common good. We must improve the system of decisionmaking as regards resources.

"Those who will not remember the past," said Santayana, "are condemned to relive it."

But we do remember; how one landscape has been torn and defaced in the name of industry while another has been preserved for posterity almost as the Lord left it ages ago. We remember the struggles to bring beauty to our cities, to save beauty along our shores, and to find beauty in the depths of a quiet forest where no tree has fallen save as the Master has decreed. Surely in this conference we can agree that no great problem is settled until it is settled right, and holding that belief, can dedicate ourselves "To the cause that needs assistance and the good that we can do."

WALTER LIPPMANN CONTINUES TO SPEAK CLEARLY ON VIETNAM

Mr. McGOVERN. Mr. President, the clearest and most persistent commentator on the deepening Vietnamese crisis is Walter Lippmann. He has clearly exposed the fallacies of our Vietnam policy and the dangers in our present course.

The current issue of Newsweek magazine includes another of Mr. Lippmann's lucid analyses, entitled "Nearing the Brink in Vietnam." I ask unanimous consent that the article be printed at this point in the RECORD; and I trust that Members of Congress and others will carefully read and ponder the article.

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

[From Newsweek magazine, Apr. 12, 1965]

NEARING THE BRINK IN VIETNAM

(By Walter Lippmann)

While the American press is free to report and comment on Vietnam, our people are receiving very little official guidance and help in understanding the portentous events which are happening. Officially, we are being told that we are now involved in a war between two separate nations, North Vietnam and South Vietnam, and that our task is to put enough pressure on the North Vietnamese to make them cease and desist from taking part in the war at the other end of the country of Vietnam.

The official interpretation is one of those half-truths which can be grossly misleading. The half of the truth which we are being told is that North Vietnam is sending some men and officers, is helping to supply, and is probably directing the strategy of the civil war in South Vietnam. The half of the truth which is being neglected is that in a very large part of South Vietnam the resistance to the Vietcong has collapsed.

Yet, it is the state of the war in South Vietnam which is of critical importance to the United States. It is on that above all that we need to fix our attention. For it is in South Vietnam that disaster impends, and it is the effort to forestall the disaster that brings us very near to becoming involved in a land war of great proportions. It is there that we are being pressed to engage several hundred thousand American troops and to face the prospect of at least a partial mobilization in this country to support and sustain those troops.

OFFICIAL THEORY VERSUS ACTUAL EVENTS

The argument for making South Vietnam a second Korea is growing louder in the lobbies and corridors of Washington. The argument is being made because the official theory of the problem in South Vietnam has been confounded by events. The theory, which was propounded by Gen. Maxwell Taylor when he persuaded President Kennedy to enlarge our intervention, was that with enough arms, more money, and some American military advisers, the South Vietnamese could create an army able to subdue the Vietcong rebellion. Until a year ago, more or less, this was the theory on which our excellent Secretary of Defense rested his hopes and his plans, and staked his reputation as a political prophet.

The theory has not worked. Our side has been losing steadily the control of the coun-

tryside. It has failed to win the allegiance of the peasants, who are not only the majority of the nation, but are the one and only source of military manpower. Today, the principal highways north and south, east and west, have been cut by the Vietcong, and the cities where our clients are holed up are being supplied by air and by sea. The South Vietnamese Army has not surrendered, but it has so little will to fight and has such a high rate of desertion that we can no longer count on South Vietnamese soldiers even to supply sentries for American airbases and installations.

The basic character of the war has changed radically since President Johnson inherited it from President Kennedy. It used to be a war of the South Vietnamese assisted by the Americans; it is now becoming an American war very inefficiently assisted by the South Vietnamese. In fact, it would not be much of an exaggeration to say that the South Vietnamese, who have good reason to be war weary, are tending to sit on the sidelines while we, who have promised to "win" the war, are allowed to show how we can win it.

NUMBERS NOT ENOUGH

For a time the warhawks in this country argued that a certain amount of bombing—a "clean" war in the air rather than a "dirty" war on the ground—would do the trick. But it has not done the trick. All wars, and particularly civil wars, are won or lost on the ground.

It is evident enough now that the South Vietnamese ground forces are unable and unwilling to fight the war effectively. They may have a superiority in numbers over the Vietcong of 5 to 1. That is not nearly enough in guerrilla wars where a ratio of 20 or 50 to 1 is not always enough. And so we are being confronted with two dismal prospects. The first is the landing of American soldiers for an interminable war on the ground against the inexhaustible masses on the Asian continent. The second prospect is the bombing of the populated cities in North Vietnam. This would bring down on us the opprobrium of almost all the world and also the risk that we would compel Russia and China to join in opposing us.

Having staked our prestige on the outcome of the civil war which is being lost in South Vietnam, we may find ourselves with a choice between the devil of defeat in South Vietnam and the deep blue sea of a much wider war in eastern Asia. That choice could perhaps be avoided if we remember in time that when there is no military solution to a conflict, there must be negotiation to end it. In such a situation, only fools will go to the brink and over it.

EFFECT OF NATIONALISTIC POLICIES ON EUROPEAN UNITY AND RELATIONS OF THE WESTERN WORLD

Mr. SYMINGTON. Mr. President, in recent statements I have expressed my concern about the effects nationalistic policies were having on European unity and the relations of the Western World.

A firsthand report from the European capitals brings disturbing fresh evidence that this spirit of nationalism, damaging to the paramount hope for world peace, is nevertheless permeating the countries of the Atlantic alliance.

For 2½ months, Mr. Thomas W. Ottenad, of the St. Louis Post Dispatch, surveyed the political attitudes of Western European countries.

In Paris, London, Rome, Bonn, Geneva, and Brussels, Mr. Ottenad talked with more than 150 diplomats, government officials and military leaders, European and American, to assess the major difficulties of the Western alliance.

I believe that every thinking American should be concerned about the drift and division in the policies of the West.

Therefore, I ask unanimous consent that Mr. Ottenad's seven articles appearing in the St. Louis Post Dispatch commencing the week of March 21 be printed in the RECORD at this point.

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

[From the St. Louis (Mo.) Post-Dispatch, Mar. 21,1965]

CRISIS OF CHANGE IN EUROPE: DIVISIVE INFLUENCES THREATEN ATLANTIC ALLIANCE—HOPES FOR WESTERN EUROPEAN POLITICAL UNITY AND FOR CLOSER RELATIONS WITH UNITED STATES FADE AS NATIONALISTIC RIVALRIES AND BALANCE-OF-POWER POLITICS INCREASE

(By Thomas W. Ottenad)

PARIS, MARCH 20.—The divisive crisis of change has spread a pall of uncertainty over the Western alliance. On both sides of the Atlantic powerful forces are at work, tugging at the United States and Europe, threatening to wrench them apart and raising fears for the future.

At stake are such vital issues as the existence of the Atlantic community, the stability of Europe, the control of nuclear weapons and the precariously peaceful balance of terror that now exists between the West and the Soviet Union.

Torn by what may well be its most severe strain since World War II, the Western alliance faces a disturbing challenge: Can America and Europe maintain some kind of effective relationship for their mutual good or are they going to drift apart into increasingly independent courses regardless of the consequences?

For the past 9 weeks the Post-Dispatch has been discussing this and related questions with government officials, diplomats, military leaders, businessmen, academicians and others throughout Western Europe. The picture that emerges from these conversations, most of them off the record, is not an encouraging one.

It is plain that hopes for unifying Western Europe politically and allying it more closely with the United States have been weakened in the past few years. Europe appears to be turning once again in the direction of nationalistic rivalries and balance-of-power politics, which have proved to be disastrous in the past.

Best guesses are that the Western alliance will not collapse. In time, however, it could become badly fragmented. Its defense mechanism, too, may be seriously weakened, especially if the threat of French withdrawal from the North Atlantic Treaty Organization materializes.

Conversations with officials in Paris, London, Rome, Bonn, Geneva and Brussels lead to some rather unflattering observations about current European attitudes. For example, there is a preoccupation among some statesmen with scoring personal triumphs rather than with solving world problems.

Repeatedly one hears, "If such-and-such a policy prevails, it will be a victory for Prime Minister X, but if so-and-so happens, it will be a triumph for Prime Minister Y." Which course is the better one seems of less interest.

All too often there appears little understanding of the maturity and restraints required of those who would be world leaders. Remarked an exasperated diplomat at the Kennedy round tariff negotiations in Geneva, "Everyone wants power but few want responsibility." Policies frequently seem based on narrow self-interest rather than broad common interest.

Europe clings to patterns of the past despite their failures and despite the needs of a new age. The only break with tradition has been the successful Common Market. It has brought an important measure of integration to European economic life. Its promise of political unity, however, appears to have been stiffled, at least for many years.

One of the most deadly dangers facing the western alliance is the appearance of a neo-nationalism in Europe and a neo-isolationism in America.

Officials in Europe agree almost unanimously that a tendency toward nationalistic rivalries has stirred to life again after having laid dormant for many years. The principal blame is placed on French President Charles de Gaulle. His rejection of Great Britain's application for membership in the Eureopean Economic Community in January 1963 badly damaged the fragile spirit of cooperation that was beginning to develop. His action has led to nationalistic retaliation by others.

The apparent awakening of a new isolationist sentiment in the United States is equally worrisome. Mounting frustration over heavy responsibilities abroad could lead to demands that America sever its ties with Europe. Some experienced observers believe that De Gaulle's repeated attacks on the United States are deliberately designed to fan this flame.

Differences over Vietnam and America's financial problem are causing serious friction in the Western camp.

America's escalation of the war in Vietnam has been received cooly in Europe. The United States is charged with failing to consult its allies about its action. At the same time, Europe has shown little interest in providing greater assistance to the United States in South Vietnam.

In the financial field, concern over America's balance-of-payments deficit and gold outflow has been aggravated by French actions that could affect the dollar. France has begun to convert an increasing percentage of its foreign currency reserves, together with all new dollar earnings, into gold. While there is little shortrun danger, the action comes at an awkward time. The U.S. stockpile of gold has dropped below $15 billion, and any large-scale demand for gold could be embarrassing.

A related source of disagreement is increased investment in Europe by American business firms. Some European businessmen and others, fearful of American competition, want the practice curbed.

The Europe that is taking shape today is a curious blend of the old and the new.

The pattern of the past shows most clearly in the political sphere. Throughout Western Europe there is general agreement that any hope for forming a United States of Europe has been put off, perhaps indefinitely, by De Gaulle's hostility. The French leader opposes political integration and clings to Europe's tradition of independent states linked loosely by treaties providing only for consultation and coordination. This opposition has brought a sharp change in European attitudes.

A few years ago many thought Europe might at last be ready for political federation. Now the prevailing belief, even among the most deeply committed federalists, is that if there is to be any movement it must be first in the direction advocated by De Gaulle.

In the field of defense policy, there is the same argument for a return to the past. De Gaulle opposes integration of military forces. He wants to revise and loosen the NATO alliance. Instead of a unified allied defense, he favors individual military forces under national control. His argument is this sphere has not been as widely accepted as his view on political unity.

Agricultural policy is another major area in which Europe appears to be following the

path of yesterday. The Common Market is erecting high, protective tariff walls around its farming community.

In contrast to these hangovers from the past, the most dynamic thrust toward the future is provided by the Common Market itself. Except in agricultural matters, the six-nation European Economic Community has followed progressive, forward-looking economic and trade policies. Since its establishment in 1958 it has become the most powerful force working toward economic and eventually political integration in Europe.

The treaty of cooperation adopted by France and Germany in January 1963 represents a break with the past in one sense, but also constitutes a potential hazard. Many officials believe that Europe and the world will benefit if these two ancient enemies can end their hostilities.

On the other hand, if the agreement leads to a combined Franco-German effort to dominate the Common Market, the EEC's goal of a broader, integrated community may be jeopardized. So far, the treaty, which calls for efforts to reach common agreement on foreign and defense policies and other matters, has produced a few tangible results.

Twenty years after World War II, Europe remains a continent in transition. Its final destination is far from clear. Some experienced diplomats fear that if it reverts to the pattern of loose national alliances it will never reach the goal of political union. Others, however, are confident that it will move on eventually.

One who remains optimistic about the ultimate outcome is Dr. Walter Hallstein, the respected president of the commission or executive agency of the Common Market. In his office in Brussels, the cheerful Hallstein sounded like the university professor he once was as he told the Post-Dispatch:

"We need patience, determination and the willingness to advance in small steps. We integrationists always have felt that a small step, even a very small one, is better than none."

He raised a warning finger and his face became grave. "There is only one thing that is out of the question," he said emphatically. "That is that we should fail to reach decisions and take action of some kind."

It is this pragmatic approach that is being followed by those who hope to see Europe move ahead. Under consideration by the Common Market are separate but similar plans by Germany, Italy, and Belgium. All call for expanded consultation among the six EEC members and for the drafting of plans for increased political union. The proposals are expected to be discussed later this year. Any action, however, is likely to be extremely limited.

Perhaps the most explosive of all the immediate issues facing the free world is a bitter controversy over how to handle its nuclear defenses. The dispute has far-reaching ramifications, for it threatens not only to split the Atlantic alliance but also to endanger relations between the West and the Soviet Union.

At the core of the argument is the multilateral nuclear force proposed by the United States. The plan contemplates creation of an allied fleet of up to 25 surface ships armed with Polaris nuclear missiles and manned by mixed crews from participating nations. It has been cooly received. Principal supporters are Germany and Italy. Principal opponents are France and Great Britain.

Underlying the dispute is a serious dilemma that the West has not yet solved. On the one side, some experts believe that Germany and other non-nuclear members of the alliance may be tempted to break away and seek atomic weapons of their own if they are not given a larger voice in nuclear affairs. On the other, creation of the MLF or something like it may well antagonize the Soviet Union, intensify the cold war and jeopardize hope for reaching agreements on disarmament and the control of nuclear weapons.

The problem is aggravated by the highly independent course followed by France, which is developing its own nuclear striking force. Critics assail the French policy as both cynical and dangerous.

They point out that the principal purpose of the small French force de frappe or striking force is to trigger American nuclear power if the United States appears hesitant to act. In conversation with the Post-Dispatch a French official conceded that this was the purpose of the French force. He thought it unlikely, however, that the actual firing stage would ever be reached.

Those who fear the dangers of nuclear proliferation are horrified by the French attitude on this question. France argues that, except for Germany, any nation that wants nuclear weapons and can produce them should have them. In a bland dissent from most opinion, a French official said his government saw little danger in expanding the "nuclear club." He predicted that Japan, India, Italy, and perhaps two or three other nations would eventually develop nuclear weapons.

EUROPE'S BIGGEST PROBLEMS

The difficulties confronting the United States and Western Europe cover a wide range. The major issues, their causes and possible solutions will be discussed in subsequent articles in this series. In summary, the principal problems are:

Atlantic Alliance: Jeopardized by serious disagreements, many of them stemming from the intransigent attitudes of French President Charles de Gaulle.

Political union: Western Europe may never achieve it; if it does, it may not be for 25 to 50 years.

Nuclear defense: No decision is likely this year on the controversial multilateral nuclear force (MLF) proposed by the United States.

Future of NATO: Serious trouble if France withdraws, as expected, some time after 1969.

French policies: De Gaulle's concept of loose national alliance appears to be politically unstable and militarily dangerous.

Britain's role: No interest in uniting with the continent despite continuing economic difficulties.

Germany: Many fear it may again become a threat to peace if it is not kept tightly tied within the Western alliance.

Agriculture: The Common Market's highly protectionist policy promises difficulty for the United States and others.

Kennedy Round Table negotiations: Moving slowly; sizable reductions are likely in industrial tariffs, but agricultural levies are a stumbling block.

The divisive tendencies in the Western alliance make little sense to those who favor continued close relations between the United States and Europe. Viewed objectively, they say, a separation would mean more losses than gains for both partners.

For Europe it would mean the loss of American military power, on which it relies for its ultimate security. The extent of Europe's dependence was underscored by an allied military leader who told the Post-Dispatch:

"There is no group of nations in Europe that can provide adequate nuclear protection for themselves without American participation and resources. Even if Britain is included, there is no combination that can mount the deterrent needed to hold the Soviet Union in check."

For America the hazard of separation lies in the possibility that an estranged Europe might seek to play the United States against the Soviet Union. Those who believe such a development is possible point to De Gaulle's long-standing determination to make Europe a "third force" in world affairs. Shortly before he returned to power in 1958, the French leader wrote that his objective was:

"To bring together the states along the Rhine, the Alps and the Pyrenees into a political, economic and strategic group—to make of this organization one of the three world powers and if necessary one day the arbiter between the Soviet and Anglo-Saxon camps."

In fairness to De Gaulle, it should be said that even his critics believe he would not desert the rest of the free world if a major crisis developed between East and West.

The air of unease that envelops the Western alliance is the outgrowth of a variety of changes in world affairs in recent years. The nations of Western Europe, nearly prostrate after World War II, have regained economic and military strength. Understandably, they want a greater voice in international councils. They seek to end their dependence on the United States.

At the same time, tensions between the East and West have relaxed. The turning point may well have been the Cuban missile crisis in October 1962. Since then the Communist offensive against the West has eased appreciably. The Soviet Union has been preoccupied with problems of its own—at home, among the Communist satellites in Eastern Europe and with Red China.

The military picture has changed drastically, too. Russia's formation of a powerful nuclear force ended America's monopoly. The development of long-range missiles has made it possible for both the United States and the Soviet Union to strike directly at each other, reducing the value of bases in Europe.

The prospect of devastating retaliation, however, has created a balance of terror. The result is that fear of nuclear war has subsided. Repeatedly a visitor in Western Europe hears this confident appraisal, "No one is going to start a nuclear war unless it is through accident or miscalculation."

These changes have thrown the Western alliance, completely unprepared for it, into a new era. Differences that were temporarily submerged in the face of common danger and common need have come to the surface again. Maneuvering for individual advantage has resumed.

Since the end of World War II America has sought to build a united and prosperous Europe and to link it closely with the United States to form a powerful combination in world affairs. Now with Europe in transition this basic policy is being tested.

Questioning voices are being raised, suggesting that Europe need not unite. The need for close relations with the United States also is being reexamined. In some quarters the concept is under sharp attack.

There are two major factors that may tend to push Europe in the direction of greater internal unity and continued cooperation with the United States. One is the unifying force of the Common Market. Its integrated economic policies are exerting a powerful, although indirect, influence toward eventual political union.

The other factor is America's nuclear power. Europe's clear realization that its safety depends on U.S. military strength is a strong deterrent to severing its ties with America.

American and European diplomats with whom the Post-Dispatch talked agree that the current, trying period calls for patience and persistent effort if the Western alliance is to be preserved. It also calls for exceptional American delicacy. For while American leadership is resented in many quarters of Europe, informed officials say it is badly needed. Without it, they warn, Europe still seems incapable of making important decisions.

In their search for the future, the Western allies are enjoying the luxury of dissent. Divergent views, conflicting interests, rival schemes create a babel.

The mood recalls the theme of the final volume of Sir Winston Churchill's history of the Second World War: "How the great democracies triumphed and so were able to resume the follies which had so nearly cost them their life."

[From the St. Louis (Mo.) Post-Dispatch, Mar. 22, 1965]

VISION OF UNITED EUROPE DIMS—DE GAULLE THINKS CHANGE WILL TAKE AT LEAST 50 YEARS—MANY EXPERTS BELIEVED PRESENT SETUP IS UNSTABLE, MILITARILY DANGEROUS—CALL IT THREAT TO PEACE

(By Thomas W. Ottenad)

PARIS, March 22.—Europe has turned its face against the future.

The vision that has gleamed fitfully since the end of the war, of a United States of Europe, is growing dimmer. In its place there shines again the old image of a Europe that is a loosely knit alliance of independent and jealous nations.

This is regarded by some European leaders as an extremely disquieting development, fraught with grave risks. It may endanger world peace, for many experts believe that the kind of Europe which appears to be emerging will be politically unstable and militarily dangerous. Compounding the hazard is the prospect that it may take half a century before Europe can move on to a more stable and rational order.

The fundamental question of how Europe is to organize itself is one in a series of troublesome issues facing the Western alliance. Others include:

Difficulties in relations between the United States and Europe; a revival of the spirit of nationalism; the divisive effect of France's independent actions; sharp differences over nuclear defense policy, and a threat by France to withdraw from the North Atlantic Treaty Organization.

Taken together, these problems constitute one of the most severe internal strains the Western allies have experienced. Some diplomats in Europe think it is even worse than the Suez crisis in 1956 when Britain and France split openly with the United States. Said one gloomily:

"The issues are more fundamental this time. There are basic disagreements over how the Western alliance should be organized and how it should function. If the nations of Europe fail to integrate their political and defense policies, the alliance may begin to break up. Europe may be split from the United States and from the rest of the world."

At the heart of the current controversy is the question of whether the countries of Europe, after centuries of bickering and fighting, are at last ready to move toward a political union in which individual differences are subordinated to the common good. Or are they going to continue the traditional practices of patchwork alliances and power politics?

In American terms the choice lies between the federalists and the States righters. In European terms it is between the Eurocrats, who have been working energetically for a United States of Europe, and the Gaullists, or followers of Gen. Charles de Gaulle. The French President is the chief exponent of a policy of loose alliances.

The fight between these forces has swung in favor of the Gaullists. A visitor who travels through Western Europe talking to diplomats, politicians, and others repeatedly hears:

"Any hope for unifying Europe politically has been put off for many years. If we are to progress at all, the first step will have to be nothing more than an alliance between existing states. A true federation, if it ever comes, can only develop later."

This attitude has been created chiefly by De Gaulle. His uncompromising opposition to unification in either the political or military field has convinced even the Eurocrats that federation is out of the question at present.

This represents a fundamental change in mood. After World War II there were many who believed that a new and unified Europe not only must, but could be created. One of the first was the late Sir Winston Churchill. In 1946 in a famous speech in Zurich he said "we must build a kind of united states of Europe."

Under the leadership of Churchill, Robert Schuman, Jean Monnet, and others, a number of moves were made toward unifying Europe. In 1952 the European Coal and Steel Community was established, creating a common market for coal, iron ore, and scrap among France, Germany, Italy, Belgium, the Netherlands, and Luxembourg.

In 1958 the same six nations joined in forming the European Economic Community and the European Atomic Energy Community. These three organizations provided a measure of supranational integration, chiefly in the economic field. In the defense field, the North Atlantic Treaty Organization, set up in 1949, provided limited unification in military policies and operations.

The Eurocrats had won the first round in the fight for Europe's future. There were many who thought that Europe might soon be able to move directly into political federation.

De Gaulle smashed that hope in January 1963 when he vetoed Britain's application for membership in the Common Market. Since then he has shown that he is willing to go to almost any length to block the formation of a political union.

"The second round in the battle has been won by the Gaullists," a French official remarked accurately.

There is general agreement now that prospects for achieving political unity in Western Europe have been postponed for many years. One of the best-informed sources in Europe, a man who has been in the center of the movement for unity since its start but who asked that his name not be used, gave this view:

"Back at the very beginning some of us made a private prediction. We thought it would take about 40 years to complete the drive for unification, to produce a true United States of Europe with a federated government and a popularly elected European Parliament.

"That was 15 years ago. So we have 25 years to go." He paused reflectively for a moment. "Yes," he said decisively, "I still think we can do it in another 25 years."

Other forecasts are less optimistic. De Gaulle reportedly believes that it will be 50 years before Europe can begin even to consider a federal union. He thinks it will take that long to develop a feeling of "Europeanis" which he regards as a prerequisite to close political cooperation.

Despite this discouraging outlook, those who believe that Europe should unite are trying to keep the spark alive. Plans aimed at achieving a greater measure of political integration have been put forward by Germany, Italy, and Belgium. In essence, they call for the six members of the Common Market to consult regularly on foreign policy and other problems and to try to develop a plan for some kind of political union.

These are timid schemes. No one expects them to lead to political federation. They are, in fact, not much more than warmed-over versions of the old Fouchet plan. This proposal, which was advanced by De Gaulle and was considered in 1961, was dropped after other members of the Common Market objected that it did not go far enough toward political union.

The argument over European political organization is important to the Atlantic Alliance because, in the judgment of some competent students, it involves Western security. They believe that the Gaullist approach has such serious shortcomings that it is extremely hazardous.

"National alliance and balance of power politics failed to preserve the peace in the past," remarked one worried official. "In a nuclear age they are even more hazardous."

Another critic warned that the De Gaulle concept might encourage a revival of German militarism. "The French approach," he said, "is almost sure to weaken NATO or even dissolve it. If that happens the German Army, which is the most powerful in Western Europe, might be set free from direct Western control. The consequences of such an event could be extremely dangerous for world peace."

Of all the strains facing the Western alliance, one of the most severe stems from the increasingly difficult problem of maintaining close relations between the United States and Europe. Differences have developed over a variety of issues.

The United States, for example, has sought to have the prospering countries of Western Europe take on a larger share of the burden of foreign aid. It would welcome greater European help, too, in critical trouble spots like Vietnam. Although there has been some response from Europe, it has fallen far short of American hopes.

For their part, many Europeans want a larger voice in Western defense councils. They think that the Atlantic alliance needs revision. They feel also that the United States is losing interest in Europe.

Other disagreements have arisen over tariffs in negotiations at the Kennedy round in Geneva and over the agricultural policy of the Common Market.

These and other developments have raised serious doubt as to whether the long-sought objective of closer transatlantic ties is any longer a realistic goal. Some officials in Europe believe that a contemplated partnership between the United States on the one side and a cohesive Europe on the other cannot be expected for many years. Even more remote, in their view, is a tighter, integrated Atlantic union of the kind advocated by the United States from time to time.

A well-informed American official in Paris said, "I don't think we can expect to achieve any partnership arrangement while De Gaulle is in power. There has to be more European unity before we can move in this direction. Yet France blocks nuclear integration and political union, the two developments that would help to make a partnership possible."

Even Great Britain appears to have reservations about an intimate Atlantic union, despite its longstanding "special relationship" with the United States. In London a high-ranking foreign official made it plain that this country regards as impractical and unwise the kind of Atlantic "interdependence" that the late President John F. Kennedy advocated in a speech on July 4, 1962.

Furthermore, there is a widespread belief among Europeans that the United States is not ready for a truly integrated Atlantic union. "The day for an Atlantic community has not come," observed a French diplomat. "The United States in particular is not ready to accept a system in which it would have to relinquish some of its sovereignty."

Germany and Italy, the major proponents of European political union, also are the strongest advocates of closer ties between Europe and the United States.

A potentially grave problem for the Western alliance lies in the apparent reemergence of a spirit of nationalism among European nations. Government officials and others agree that this feeling, which created tension

in the 19th and early 20th centuries, is on the rise again.

Of particular significance, sources in Bonn concede that nationalistic sentiment in Germany has increased in the last few years. They offer some reassurance, however, to those who wonder if this powerful, energetic nation may again endanger world peace. They say the sentiment has not taken the aggressive form of the earlier German nationalism that played an important part in bringing on World Wars I and II.

Informed officials differ as to the importance of the nationalistic feeling they see in Europe. "I think it has become quite serious," remarked one student of European affairs. "It has become increasingly evident in fields like defense and foreign policy. De Gaulle's constant harping on France's national prerogatives has led others to demand equal national rights."

A French official offered a contradictory view. He said, "The feeling of national existence and national awareness has increased in recent years. But there hasn't been any growth of the dangerous kind of nationalism that all of us worry about." He disputed the general view that De Gaulle's veto of Britain's application for membership in the Common Market caused the revival of national feeling.

Perhaps the best appraisal was given by an expert in Brussels. "It really is too early to tell how deeply this feeling runs," he observed. "We don't know yet whether it is just a passing phase or the beginning of a new nationalistic era in Europe."

The strains that afflict the Western alliance have been sharply intensified by the highly independent course pursued by France.

The overall effect of these policies, say De Gaulle's critics, has been highly divisive. He has encouraged disunity among the Western allies. His repeated attempts to reduce American influence in Europe jeopardize the basic concept of Atlantic cooperation. His only concern, say his detractors, is to increase France's power and prestige regardless of the cost to the alliance.

In the final analysis, the varied problems pressing on the Western allies pose the serious question of whether they can find an effective way to provide for the security of the world and the well-being of their peoples.

[From the St. Louis (Mo.) Post Dispatch, Mar. 23, 1965]

ATLANTIC ALLIES STAY ON SIDELINES DESPITE THREAT TO NATO POSED BY DE GAULLE'S INTRANSIGENCE—SENSE OF URGENCY FOUND LACKING—NUCLEAR FORCE DISPUTE PERSISTS AS STRONG U.S. LEADERSHIP IS AWAITED

(By Thomas W. Ottenad)

PARIS, March 23.—In Bonn a German official seemed remarkably unconcerned about the danger that France might withdraw from the North Atlantic Treaty Organization.

"We should not worry too soon about that," he remarked, with a wave of the hand. "It's probably just a threat. Besides, nothing is likely to happen for several years."

In Rome an Italian diplomat was equally casual about the deep split in the Western alliance over nuclear defenses. "It's up to Britain and the United States to solve the problem," he said.

But neither Britain nor the United States is moving forcefully.

In London a British official observed, "We might be just as happy if nothing at all were done about nuclear defenses." And in Paris an American representative at NATO headquarters said, "We're maintaining our interest, but the next move is up to our allies."

A visitor who travels through Western Europe talking with government leaders, military officials, and others comes away with a clear impression that the Western alliance appears to be drifting idly while major defense problems pile up.

Although both the alliance itself and the balance in East-West relations may be affected, there is no discernible sense of urgency in either the United States or Western Europe about common military difficulties. On both sides of the Atlantic it is almost as if everyone was waiting for someone else to make the first move.

There is disagreement as to whether this lack of action is wise. Some informed officials think a cooling-off period is needed because of sharp differences of view. Others fear that the pause will provide an opening for France to push forward with its anti-American, anti-NATO campaign.

The military issues facing the Western Allies are difficult ones: a controversy over the organization of nuclear armaments; the danger that France may get out of NATO; demands for an overhaul of the NATO structure; the need for nuclear missiles to replace manned bombers that are becoming obsolete, and friction between Greece and Turkey, the guardians of NATO's southeastern flank.

By far the most troublesome are the French attack on NATO and the nuclear dispute. Each has caused heavy strain. Unless skillfully dealt with, either could wreck the Western alliance.

European officials agree that no decisive action is likely soon on either issue. There is a belief that the problem of organizing the West's nuclear defenses will not be taken up again in any serious fashion before the end of 1965 or early in 1966. As for the NATO question, no steps are likely until France actually moves to leave the alliance, a development that may come 4 years from now.

The French threat to withdraw is the climax of a continuing attack on NATO that goes back at least to 1958. Gen. Charles de Gaulle, who was then premier, resented not being consulted when Britain and the United States dispatched troops to Jordan and Lebanon. In September of that year he proposed a drastic reorganization of NATO.

His plan called for additional French representation in the NATO command structure. It contemplated also a three-power directorate composed of France, Britain, and the United States to consider far-reaching political questions. When his scheme failed to make any headway, he announced that France would oppose the system of NATO financing under which each country makes contributions to the Organization in proportion to its wealth.

Since then, De Gaulle's record of anti-NATO actions has grown rapidly. He refused to allow American missile bases and stockpiles of U.S. nuclear weapons for NATO forces to be placed in France. He declined to put the French Mediterranean fleet under NATO control. In 1963 he withdrew from NATO 19 French vessels assigned to defend the English Channel. Today France has only two army divisions in NATO, the smallest active contribution of any major member of the alliance.

The French attack now includes a demand for reorganization of NATO, together with a veiled but not very subtle threat to withdraw from the military organization. The general belief among European experts is that if France does decide to get out, the move will come in 1969, when the NATO treaty becomes open to renunciation.

Although De Gaulle has not specified how he wants NATO reorganized, the outlines of the French position are clear. A knowledgeable French diplomat told the Post-Dispatch:

"Basically, we object to the military integration that NATO provides. We think the system should be revised so that each nation is responsible for its own defense. Of course, there would be consultation and coordination, perhaps even a commander in chief and a skeleton staff for emergencies."

This official insisted that France would maintain a defense alliance with the West even if France withdrew from the operating structure of NATO. Many military experts believe, however, that the loose military arrangement advocated by the French is inadequate for the needs of a nuclear age.

The nuclear controversy confronting the Western alliance centers largely on the multinational force proposed by the United States. This plan, which calls for a new allied fleet of 25 nuclear-armed surface ships manned by mixed crews from participating nations, has not been received enthusiastically.

Its principal supporters are Germany and Italy. France opposes it. Britain has proposed an alternative Atlantic Nuclear Force. Broader in scope, the British plan would include manned bombers and land-based missiles and would eliminate or downgrade the multinational concept.

The nuclear issue appears stalled at present. The principal reason is that the Germans are reluctant to act until after their national elections next September.

Other major factors in the delay are coolness in Britain, together with the possibility of an election there this year, and a sharp switch in the American attitude. The United States, which last year was pushing strongly for early approval of the multinational force, is following a new tack. It started last December when President Johnson ordered an end to American pressure, in effect putting the next step up to Britain and Germany.

Conversations with European representatives indicate that they are reluctant to move without strong American leadership. The views of many Europeans were expressed by a German official who told the Post-Dispatch:

"It is absolutely essential that the United States enter the process more actively very soon. It is impossible for Europe to make a decision by itself when this is such an American project and the United States plays such an important role in it."

Mr. Johnson has not indicated whether he intends to reassert American leadership. There are hints, however, from American officials in Europe that the United States is maintaining a discreet but active interest in the project.

They deny emphatically that America has abandoned the multinational concept. Although there is a widespread belief in Europe that "MLF is dead," many well-informed sources are convinced that a compromise will be reached eventually.

They think a solution can be found by adopting a modification of the broader British scheme and including in it the multinational surface fleet advocated by the United States.

"I know the British say they will not participate in the MLF," observed a diplomat with long experience in European affairs. "But I think they would join if they were offered the opportunity to get in without any cost other than contributing, say, 500 sailors to the multinational crews."

There are strong indications that an arrangement of this type might be acceptable to Germany. Officials in Bonn said repeatedly that they see "room for a compromise" in the British position.

The basic U.S. objective of integrating its military forces with those of Europe for the common defense of the West is under question today.

With De Gaulle as the leading spokesman, a divisive doctrine is being pushed. It would rely on America for ultimate support but would place immediate responsibility for European security in European hands.

De Gaulle would like to see Western Europe organize its defenses around the French nuclear deterrent, the force de frappe. So far, however his neighbors have shown little interest in this idea.

"Why should we?" asked one German official rather caustically. "De Gaulle intends to retain full control of his force without giving anyone else a voice in it. We would be completely dependent on him."

Some skeptics question whether the other nations of Western Europe could rely on France to come to their defense in all circumstances. They point out that De Gaulle's record is one of intransigent independence that shows little concern for others. "What assurance is there that he would use his nuclear weapons to defend the rest of us?" asked one European critic.

The puny size of the French force, compared with American might, makes the idea even more unattractive to many Europeans. Informed sources say the force de frappe now consists of fewer than 20 bombers, each carrying a relatively small 60-kiloton bomb. Later, it is expected to reach a total of 50 planes or more. American experts say that most of the French fleet could be destroyed before reaching its targets by the Soviet SAM-3 missile, designed especially to bring down low-flying planes.

In time the French bombers are to be replaced with missiles and nuclear-armed submarines. The French hope to have by 1970 a nuclear arsenal equaling 2,000 times the power of the first atomic bomb dropped on Hiroshima. But this total amounts to no more than 40 percent of the nuclear stockpile the United States has in Germany alone. To practical Europeans, the American figures are impressive.

European officials repeatedly indicated that they preferred to rely on the United States for their ultimate defense. Many would like a stronger voice in joint defense matters, leading eventually perhaps to a veto over the use of American nuclear weapons. An arrangement of this type has been suggested by some American officials as a desirable goal. Generally, however, they have recommended that a greater degree of European political unity must be achieved first.

Germany occupies a key position as the West wrestles with military problems. Under the Paris agreements of 1954 making it a member of NATO, Germany renounced the right to manufacture nuclear weapons although not the right to employ them.

German officials as well as other competent observers in Bonn say the nation has no interest in obtaining control of nuclear weapons. They warn, however, that this sentiment, could change. The best way to forestall such a possibility, in their judgment, is to give Germany a larger voice in nuclear affairs in the Western alliance. This is the principal purpose of the proposed multinational force.

France is exerting heavy pressure in an effort to kill German support for the multinational force. It has warned that participation in the multinational fleet would jeopardize chances for German reunification. The French have also threatened that any hope of European political unification, which Germany strongly supports, would be weakened if the multinational force is set up.

These are potent threats, but the Germans say they will not be frightened off. "We will not change our position despite France's opposition," an official in Bonn said firmly. "We have a right to demand a voice in nuclear affairs.

"We believe in an integrated, supranational defense organization. And we are ready to fight for our beliefs."

Like the Germans, officials in Italy indicated that they, too, will remain firm in demanding that the multinational force be included in any nuclear defense scheme that may be worked out by the allies.

Under the pressure of conflicting military policies, the NATO organization today faces one of the gravest tests it has endured since the North Atlantic Treaty was signed in Washington April 4, 1949. Unless the differences are resolved, the alliance could be fragmented, perhaps even broken up.

The results would be both serious and far-reaching. Warned one high-ranking allied military officer, "If NATO collapses, there will be a mad scramble by many nations to establish their own independent nuclear forces. The nuclear race will be on in deadly earnest."

[From the St. Louis (Mo.) Post-Dispatch, Mar. 24, 1965]

DE GAULLE TRIES TO MAKE FRANCE LEADER OF EUROPE BY CREATING FALSE IMAGE OF IT AS GREAT POWER—HE ANTAGONIZES FRIENDS AS WELL AS ENEMIES, CAUSES SERIOUS DISSENSION IN WESTERN ALLIANCE

(By Thomas W. Ottenad)

PARIS, FRANCE.—Gen. Charles de Gaulle is the powerful magnifying glass through which France sees itself and its role in world affairs.

The image that the imperious Franch leader holds up is one in which France glitters grandly as a mighty world power, but the reality behind the reflection is far less impressive.

On any scale of power, France is not all that De Gaulle would make it seem to be. Big by European standards, it is nonetheless smaller than Texas. Its nuclear arsenal—sarcastically dubbed the farce de frappe by its critics—is small and of doubtful effectiveness. There is no longer an oversea empire. Both the economy and army are small. And there are big domestic needs such as substandard schools and housing.

Yet none of these shortcomings prevents De Gaulle from acting as if France were the equal of the Soviet Union and the United States. A master of the iron-nerved bluff, he has used his considerable intelligence, experience and Gallic shrewdness to try to push his nation into a dominant position in world affairs.

Apparently as heedless of friends as of enemies, he has followed an increasingly independent, intransigent and sometimes capricious course. French policies frequently have been tangential, or even in direct opposition, to those of other Western nations.

The 74-year-old French leader has clashed sharply with the United States, antagonized other friendly countries and caused serious dissension in the Western alliance. His actions have blocked hopes for political union in Western Europe and, say some critics, may even jeopardize world peace.

His objective is clear. It is to make France the leader of Western Europe and to make Europe a "third force" between the United States and the Soviet Union.

To do so he seeks, first of all, to reduce American influence in Europe. Thus he wants U.S. troops and weapons removed. He opposes the North Atlantic Treaty Organization and the Multilateral Nuclear Force proposed by the United States. He is hostile to American investment in Europe. He has adopted financial policies that might seriously affect the dollar.

The second hallmark of French policy is insistence on the sovereignty and primacy of the individual European state. France favors a scheme of loose political alliances, providing for consultation and co-ordination, but leaving each nation free to do as it pleases. It opposes any effort at present toward political federation in Europe.

Although De Gaulle frequently is given credit for special preworld affairs, critics believe that his philosophy of national alliances is anachronistic and dangerous. They are convinced that it is not the best way to protect peace. They see it as nothing more than a revival of the 19th century pattern of unstable power pacts.

"We mistook this approach for statesmanship once before," remarked one skeptic. "All it proved to be was a path to near-suicide."

Critics see much to worry about in actions taken by De Gaulle in the 6 years he has been in power. Their dossier begins with his veto in January 1963 of Great Britain's application for membership in the Common Market. This action, many Europeans agree, has had incalculable effects in slowing a movement toward political union and in reviving a dangerous spirit of nationalism.

France frequently has exerted a divisive influence by following policies contrary to those of its allies. Thus it is the only major nation besides Communist China that refused to sign the limited nuclear test ban treaty in 1963. In addition to Red China, it is the only principal country not participating in disarmament negotiations in Geneva. Like Russia, it has refused to pay its share of the cost of United Nations peacekeeping operations in the Congo.

France is the only Western nation to extend diplomatic recognition to Red China since the Korean war. It has made the American position in the Far East more difficult by opposing the war in Vietnam. Like Russia, France has proposed neutralization of Southeast Asia.

The French have shown marked cordiality to the Communist bloc. A 5-year trade agreement recently concluded with the Soviet Union will provide long-term credits for the Russians. Similar agreements have been made or are in the offing with other Soviet satellites. France has a trade pact with North Vietnam also.

De Gaulle's insistence that France and Europe must be completely independent of the United States has a rather hollow ring in military terms, for it is clear that he is relying on United States power to protect France.

This was made plain in a debate in the French National Assembly last December. Arguing the need for France's independent nuclear deterrent, Prime Minister Georges Pompidou nonetheless conceded the limitations of the small force de frappe. It would be "quite insufficient for achieving ultimate victory," he remarked, and therefore "the alliance remains a necessity." In blunter language, this means that from a military standpoint French independence is a myth.

Relations between France and the United States are, in the view of many experts interviewed by a Post-Dispatch reporter in a 9-week trip through western Europe, at one of their lowest points. There are wide differences on fundamental issues ranging from Vietnam and the Congo to defense policy and the future of Europe and the Western alliance.

A French official conceded that there was a deep cleavage between France and America, but suggested that perhaps the low point had been passed. Other observers are encouraged by a sharp decline in anti-American sentiment among the French public.

If France has its way, Europe's relations with the United States will be made as distant as possible short of an actual break. One of the clearest expositions of De Gaulle's views came in a television address to the nation last New Year's eve.

Pronouncing a "declaration of independence" from the United States, he asserted that "we intend to be our own masters." France, he said, would reject any supranational, multilateral or Atlantic system. He has argued repeatedly that anything but the most distant relationship will inevitably bring Europe under domination by the United States.

"The most disturbing factor about De Gaulle's attitude," remarked one American diplomat, "is that he misinterprets our policies. This is particularly true when he argues that the United States seeks to dominate Europe and when he questions the integrity of our promises to defend the nations of Europe."

Another American official questioned the sincerity of De Gaulle's argument that America might fail to respond to a threat to Europe. "This is just a rationalization to support his claim that France must have its own independent nuclear force," this source remarked.

In its relations with its neighbors, France is out of step on the question of European political union. Of the six members of the Common Market, experts say, only France opposes political federation. De Gaulle refuses to accept any movement toward political integration through the Common Market. He insists that its method of integrating national policies into a larger, common framework works only in the economic field.

As a pattern for the looser arrangements they favor in the political field, the French point to the treaty of cooperation they negotiated with Germany in January 1963. Significantly, even French officials concede that the pact has not worked well. Yet they argue that the same consultative approach could be used successfully on a broader, more difficult scale involving much of western Europe.

France's relations with Germany have cooled noticeably in the year and a half since Konrad Adenaur, De Gaulle's close friend, bowed out as Chancellor. The two countries have been at odds over the proposed MLF, the level of grain prices in the Common Market and tariff policy.

The atmosphere improved somewhat last December when Germany agreed to a schedule of grain prices for the Common Market. A month later De Gaulle and Chancellor Ludwig Erhard held an amiable meeting. De Gaulle agreed to Erhard's request for new discussions concerning German reunification and European political union. So far as could be learned, however, the agreement did not involve the substance of either difficult issue; it was only a decision for further discussions.

Among the few who have the opportunity to talk to De Gaulle, there is general agreement as to how he views East-West relations. These sources say the French leader believes that both the Eastern and Western blocs have lost some of their cohesiveness with the easing of world tensions in recent years. As the troubled waters recede, De Gaulle is casting about with every device, including bluffs and threats, in an effort to enhance France's position.

He is convinced that the Communist bloc is slowly changing, moving gradually toward a more peaceful posture externally and toward greater freedom internally. Through this kind of development, he is said to believe, an overall European settlement may eventually be achieved. The reunification of Germany in turn depends on a solution to broader European problems. In the Gaullist view, neither will be attained for many years to come.

The French people pride themselves on their realism and logic, yet to American ears some of their arguments on international issues have an incredible ring.

One of the most illogical sounding is their thesis that America seeks to dominate Europe. If the United States wanted to subjugate Europe, it could easily have done so after World War II, when Europe was nearly prostrate, say critics of the French view.

Equally difficult to follow is their rationale on the dangers of nuclear proliferation. They profess to see little hazard in the development of additional nuclear forces. But at the same time they complain that the proposed MLF would involve dissemination of nuclear weapons and is therefore dangerous.

Most astonishing of all was the argument against NATO advanced by one highly intelligent French diplomat. He said that French officers lose their sense of national identity when thrown into NATO's integrated command structure. Yet, he said, the same thing does not seem to happen to American or British military men.

Difficult ally though he is, De Gaulle has made immense contributions to his country's well-being. In the 1940's as leader of the Free French forces he helped his people regain their self-respect after their country had been overrun and occupied by Germany. In the 1950's he brought the bloody and disastrous Algerian war to a close.

Since his election as President in 1958, France has enjoyed a period of political stability far different from the governmental chaos that had prevailed for so long. A nation that seemed on the verge of civil war only a few years ago now appears remarkably tranquil. France has also enjoyed rising prosperity marred only by inflation.

De Gaulle is expected to seek his second consecutive term as President in elections late this year, probably in December. Political observers agree that he is almost certain to be elected, for there is no effective political opposition. The outcome of the election could be influenced by a recession that appears to be developing.

Most experts in Paris doubt that De Gaulle will serve out another full 7-year term. They believe that he will resign, perhaps after calling for a constitutional amendment to create the new position of Vice President. Prime Minister Pompidou is regarded as the most likely heir-apparent.

De Gaulle underwent a prostate operation last spring. Since then he has shown little difficulty in carrying the burdens of his office despite his advanced age. Last September he made a 20,000-mile trip through Latin America, visiting 10 countries and making about 50 speeches.

Even if De Gaulle should die in office, most experts doubt that there will be a political upheaval of the type that might have occurred a few years ago. They regard as entirely unlikely any move by the military to seize power, or development of a dictatorship of either the right or left. The selection of a successor will be made in orderly fashion, they say. They warn, however, that this rosy outlook could change if a severe economic collapse should occur.

Qualified observers here are convinced that De Gaulle's international policies have broad support, or at least, acceptance, among the French people. They doubt that there will be any sudden or dramatic change in French programs after he leaves the presidency. The tone may become more moderate, but the basic philosophy is likely to remain much the same, said one expert.

"De Gaulle has more political stature than any French leader since Napoleon. The legacy of his political thinking is likely to remain for a long time," he said.

[From the St. Louis (Mo.) Post-Dispatch, Mar. 25, 1965]

AGRICULTURAL TARIFFS POSING PRINCIPAL STUMBLING BLOCK IN TRADE TALKS AT GENEVA—EUROPEANS HOPE MAJOR CUTS IN INDUSTRIAL DUTIES WILL OFFSET LACK OF PROGRESS ON FARM GOODS

(By Thomas W. Ottenad)

PARIS, March 25.—In an 18th century Swiss villa looking out on the snow-covered Alps a European trade expert leaned forward in his chair.

"Progress in the Kennedy round is slow," he remarked. "The big stumbling block is agricultural tariffs. They probably will not be cut by very much. Industrial duties, however, are likely to be reduced substantially."

This hopeful but cautious view of the complicated trade negotiations underway in Geneva is widely shared in Europe. As the Kennedy round moves into a critical stage, two other basic facts also have become clear:

The United States apparently has written off most hope of winning major concessions on agricultural trade from the European Economic Community, or Common Market. Its hopes now rest with other nations.

A highly protective trade policy that is developing in the Common Market will enable it virtually to exclude foreign farm goods at will.

The discussions at Geneva, the largest, most ambitious trade negotiations ever undertaken, are named for the late President John F. Kennedy. Mr. Kennedy sponsored the Trade Expansion Act of 1962 that made the Kennedy round possible.

More than 40 countries are participating in the negotiations that seek to liberalize and expand trade among the 64 nations that are members of the General Agreement on Tariffs and Trade (GATT). Negotiators are trying to make reciprocal cuts of up to 50 percent in tariffs and to lower other barriers to world trade. Thousands of industrial and agricultural products are involved.

The Kennedy round has been underway since May 1963. So far, no final, major results have been achieved. Most of the time has been spent in discussing how to negotiate, rather than in actual bargaining. Prospects are that it will be at least another year before the job is completed.

The present atmosphere in Geneva is disturbed and uneasy. European nations are unhappy about a number of American policies, including a 100-percent increase in tariffs on glass and carpets.

The United States is worried about European barriers to agricultural trade. Great Britain's 15-percent surcharge on most imports caused widespread ill will, although this condition should be remedied somewhat later this month when the levy is to drop by one-third. Uncertainty over political relations between the United States and Europe also affects the negotiations.

Despite hazards, knowledgeable officials such as W. Michael Blumenthal believe the Kennedy round can be carried through to a successful conclusion. The 39-year-old economist who heads the American negotiators at Geneva, told the Post-Dispatch:

"We already have offers of industrial tariff cuts that are better than anything ever achieved before." While Blumenthal gave no figures, most experts expect the Kennedy round to produce reductions in industrial tariffs averaging 30 to 35 percent.

This would be far short of the original goal of a 50-percent cut across the board. Nonetheless, it would undoubtedly be the most important international tariff reduction ever made. By way of comparison, the "Dillon round" completed in 1962 produced a cut variously estimated at 4 to 8 percent in American tariffs and covered only one-fifth of the Nation's trade.

The agricultural half of the Geneva negotiations is far less promising.

"It is the toughest part of the negotiations," remarked Blumenthal. "We will just have to wait and see what the EEC offers."

Any cuts that may be achieved are likely to be smaller than those on industrial goods. Some experts fear that the agricultural controversy might even wreck the conference. The more general belief, however, is that a solution will be found that will avoid a breakup.

Although the Kennedy round is concerned immediately with commercial trade policy, it has other far-reaching implications. It is a challenge with important potential benefits. It is, in essence, a test of the ability of Western Europe and the United States to cooperate. If they can succeed at Geneva, they may have a better chance for reaching common decisions on broader and more difficult questions like trade with the Communist bloc and relations with the less developed nations of the world.

Failure would be another serious blow to the concept of transatlantic partnership, already undergoing severe buffeting in the

fields of defense policy and political relations. It might also put in jeopardy the continued existence of GATT, the major international organization dealing with tariffs and trade problems.

The final outcome of the Kennedy round will turn largely on whether a solution can be found in the next few critical months to the serious agricultural problem now facing negotiators at Geneva.

The task is a difficult one, compounded by domestic political and sociological considerations which are involved in the farm problem on both sides of the Atlantic. There are deep and fundamental differences between the United States and the Common Market, the largest traders in the negotiations.

As the world's leading exporter of agricultural products, the United States wants freer access to the markets of the EEC and other big importers of farm goods. It wants protective trade barriers lowered and would even like a guaranteed share of foreign markets.

In contrast, the EEC has an extremely backward and inefficient farm industry. Although it has only 46 million acres of land under cultivation, or one-tenth the American total, it has twice as many farmworkers. Leaders of the EEC believe protection is needed to encourage modernization of agricultural methods and to cope with political pressure exerted by the European farm bloc.

These considerations underlie a controversial agricultural trade formula which the Common Market has advanced at Geneva. Known as the "Montant de Soutien," (MDS) or "amount of support," the proposal is highly technical. In simplest terms its essence is this:

The margin of support provided for farm products by each country would be computed and then frozen at its present level. This amount, plus a variable surcharge when necessary, would be added to the price of cheaper farm imports. In the case of commodities entering the EEC from the United States, this would increase the lower import prices at least to the level of the Common Market's relatively high-priced domestic farm products or perhaps a little higher.

American criticism of the MDS was summed up succinctly by one negotiator in Geneva, who said, "It is highly protective. It creates an autarchical system. It aims at producing as much as possible inside the EEC under a system of complete price protection."

"It prohibits price competition because no matter how cheaply an importer can produce, the import levy would make it impossible for him to underbid European producers."

American negotiators are disturbed particularly by the possibility that the MDS concept might replace more favorable tariff arrangements now in effect. At present GATT guarantees enable a number of American agricultural commodities to enter the Common Market either duty free or subject to fixed tariffs ranging up to 28 percent. Under fixed rates, low-cost foreign producers can compete with domestic goods, a possibility that would be virtually foreclosed under a system of variable duties.

At present, fixed tariffs or duty-free guarantees cover about 45 percent of all American farm exports to the EEC. In the year ended June 30, 1962, U.S. sales under these provisions amounted to $470 million.

The EEC plan calls also for world commodity agreements to stabilize prices on grains, beef, and some other products. The United States is amenable to this idea. It has, in fact, proposed a world grains agreement, but wants it to include guarantees for sharing markets.

In defense of the MDS officials of the Common Market say that a new concept is needed in dealing with agricultural trade. They say subsidies and other elements of support must be considered, as well as tariffs. They believe that binding all these components under a GATT agreement would be a progressive step because it would prohibit any country from making unilateral changes in its support levels. They argue also that freezing farm supports at their present rates would, in effect, amount to a reduction because it would halt the increases that have occurred in recent years.

Under questioning, however, EEC spokesmen concede that the MDS and a related variable levy system already being used on some farm imports into the Common Market will not improve access to EEC markets for other nations. They acknowledge also that their plans will make price competition difficult for outsiders, will boost farm production within the Common Market, and may reduce their purchases of American commodities.

Although the United States so far has refused to accept the MDS, some officials in Geneva think its position is softening. Informed sources suggest that America may eventually agree to a variation of the MDS as the basis for an accord on grains and related products.

Those in a position to know believe that the United States is ready to give up its original hopes of gaining a larger portion of the EEC farm market through the Geneva negotiations. Instead, its principal objective now is said to be to hold its present share, amounting to annual sales of about $1.1 billion.

This development would force the United States to look elsewhere for increased farm sales to meet its often-stated objective of achieving improvement in both agricultural and industrial trade in the Kennedy round. It appears likely that this will be the strategy of American negotiators at Geneva.

It has been learned that in their efforts to boost U.S. farm trade, American negotiators are counting on gaining tariff concessions from such countries as Japan, Canada, and the United Kingdom. These three nations are important markets for American farm commodities. In 1963 they purchased $1.7 billion worth of agricultural products from the United States, or about half a billion more than was bought by the Common Market.

The Post-Dispatch learned that at least one of the three, the United Kingdom, expects to offer substantial concessions on agricultural trade to the United States at Geneva.

Although industrial negotiations in the Kennedy round have moved far more rapidly than those affecting agriculture, they, too, remain far from completion. Negotiators now are at work on the crucial job of reducing the size of so-called exceptions lists presented last November 16 by the United States, the EEC, Japan, and members of the Eurogean Free Trade Association. The lists consist of items that would be excluded wholly or in part from the general, 50 percent tariff cut that forms the working hypothesis for the Geneva negotiations.

Of all major trading nations, the United Kingdom presented the shortest list of exceptions—amounting to about 5 percent of its dutiable industrial imports. The United States estimates its proposed exceptions at 8 percent of dutiable industrial imports, with an additional 11 percent excluded from the current negotiations. The EEC puts its total at 19 percent.

Negotiation on the exceptions list will involve tough bargaining. Final agreement, which will, in effect, determine the size of the average reduction in industrial tariffs, is not expected for some time.

A long list of other problems remains to be dealt with in the negotiations, but none is regarded as insuperable. The most important include:

Providing tariff concessions to less-developed countries without demanding full reciprocity; handling "disparities," or cases in which there are wide differences between tariffs levied by two countries on the same product; reducing nontariff barriers to trade, and dealing with an effort by some Western European nations to have duties on steel and iron exempted from the general 50-percent cut.

Heartening progress has been made within the last week on several issues. An agreement has been worked out to admit two Soviet satellites, Poland and Czechoslovakia, to the Geneva negotiations. A plan has also been developed under which poorer nations of the world will be asked merely to offer some "contribution to the objectives of the trade negotiations" in exchange for tariff concessions from wealthier countries.

And on the difficult agricultural issue, agreement has been reached for submitting initial offers affecting farm trade by April 26. The first proposals are to deal with grains. At the request of the EEC, plans affecting other agricultural products will not be outlined until next fall.

The next few months will be crucial in determining whether the Kennedy round can move on to a successful conclusion. There may be trouble if the Common Market's farm offers, expected to be based on MDS, do not contain some liberalizing element.

The United States appears firm in insisting that any agricultural plan must meet the basic objective agreed to by all participants in the Kennedy round last May. This calls for providing "acceptable conditions of access to world markets for agricultural products in furtherance of a significant development and expansion of world trade." American negotiators have said that the original MDS plan did not meet this goal.

The agricultural problem is one of two major hazards that could cause the Kennedy round to fail.

The other is the possibility that French President Charles de Gaulle might blow up the negotiations. Many observers doubt that France wants a major success at Geneva. They believe that De Gaulle might try to torpedo the conference if he thinks that such a move would aid his campaign to increase French influence in world affairs.

"I don't really think he will do it," said one informed expert who reflected the views of many. "But nobody except De Gaulle ever knows what he may do."

[From the St. Louis (Mo.) Post-Dispatch, Mar. 26, 1965]

LABOR'S PROGRAM FOR BRITAIN IS HOBBLED BY TENUOUS HOLD IN PARLIAMENT AND TRADITION—DRASTIC MODERNIZATION SAID TO BE NEEDED IF COUNTRY IS TO MAINTAIN STATUS IN NUCLEAR AGE

(By Thomas W. Ottenad)

PARIS, March 26.—In London's Trafalgar Square an astute student of British affairs glanced at the statute of Lord Nelson, hero of the Battle of Trafalgar in 1805 and a symbol of the lost age when Great Britain dominated much of the world.

"The British," he said, "still claim the privileges of the mighty, but they are no longer mighty. They have lost much of their power, and I doubt they will ever regain it.

"This country's problem comes down to habits and traditions. In many ways it is an uncompetitive culture. In many ways it isn't interested in progress. It hasn't moved fast enough to keep up with the modern world."

This unhappy judgment is shared by many, including friends, enemies, and even some British.

Britain, they say, is no longer a first-rate world power. Indeed, they believe it may not be able to maintain a second-class position unless it is willing to modernize its economy, its society, and its entire structure.

There is a new battle of Britain to be fought and a new government to lead it. How is the Labor government elected last

October 15, and headed by Prime Minister Harold Wilson, likely to go about it?

Clearly the Laborites hope to turn the country in a number of new directions. Informed sources both in London and on the Continent believe the party's program will follow these major guidelines:

On foreign affairs—continued intimate relations with the United States; new efforts to relax East-West tensions; little interest in any form of European unity or Atlantic partnership that would submerge British identity; no new attempt to join the Common Market.

On Western nuclear defenses—would not really mind if no new steps were taken for quite a while.

On economic matters—Labor is determined to put more growth, technology, and government—into the British economy.

On social welfare—wants broad reforms in education, housing, and other fields, coupled with greater social security benefits, but on the whole no revolutionary change.

It is extremely doubtful whether the Labor government can act effectively on any meaningful program. With its precarious majority in Parliament whittled to three seats, it dares little more than caretaker functions.

The problem facing the British is compounded by the continuing difficulties of the pound sterling. Although not so dramatic as last year's spectacular run on the pound, pressure continues, raising the possibility that additional financial measures may be required.

Sharpest differences between the Laborites and the Conservatives who had ruled Britain for 13 years are expected in the role of the Government and in the Laborites' attitude on social and economic questions.

Wilson and his colleagues intend to play an active, influential role in many areas of society. In matters ranging from land speculation to the price of butter and the nation's whole economic future, the Government plans to take a forceful part, leading, cajoling, pushing, and persuading although probably not directly compelling.

To achieve social change the Laborites are ready to use powerful economic tools. This attitude shows plainly in revisions being made in tax policy. At one end of the ladder, a new capital gains tax is intended to redistribute part of the nation's wealth.

Many think this move is long overdue, for the gap is still enormously wide between the privileged few and the working classes. Nearly three-fourths of all personal wealth is owned by 7 percent of the population; half the amount is concentrated in the hands of less than 2 percent of the people.

At the lower end of the scale, new tax increases are designed to pay for what the Laborites call the largest expansion of social security benefits since the system began in 1948. Old-age pensions will rise by about 18 percent this year, giving typical elderly married couples payments of about $18 a week.

Changes by the Laborites probably will not revolutionize society overnight. This is precluded by a broad national consensus in Britain on many basic goals. There are large areas of practical agreement between the Tories and the Laborites.

Most experts doubt that there will be any really radical changes in fundamental British purpose. Thus the Labor Party is not going to try to get rid of private business any more than the Conservatives tried to get rid of socialized medicine.

Similarity between the two parties shows up most strongly in foreign policy. Basic ideas are much the same, although Labor is regarded generally as more anti-European. This may be true, but it also is true that the Conservatives were highly ambivalent on the question of Britain's relation to the rest of Europe.

Conversations with high Government officials as well as with experts outside the Labor Party indicate clearly that the Laborites have no enthusiasm for the idea of a federated Europe. "Why should we want to join Europe?" a Cabinet member asked in surprise. "We're not Europeans."

Some leaders of the party would find much more acceptable French President Charles de Gaulle's idea of a loose alliance of national European states, each still clutching tightly its cherished, if antiquated, national sovereignty.

Similarly the Laborites favor a three-cornered Atlantic partnership among the United States, Europe, and Britain. They have no liking for a two-way partnership between the United States an an integrated Europe that would include Britain.

In both these areas the Labor Party is at odds with the United States. America has favored true integration for Europe over De Gaulle's looser concept, and it has looked toward a two-member Atlantic partnership.

A third area of disagreement concerns Western nuclear defense policy. The Labor government has firmly opposed the American proposal for a multilateral nuclear force (MLF) for the Western alliance. Although Wilson has suggested as a substitute a broader Atlantic nuclear force (ANF), informed sources believe he really would not mind if his plan died just as, in the British view, the MLF already has.

Differences between the United States and Britain have been sharpened by mounting British concern over American policies in southeast Asia. The leftwing of the Labor Party has become increasingly restive at the U.S. expansion of the war in Vietnam. Disclosure this week that various forms of nonlethal gas have been used in South Vietnam has generated new controversy in Britain. There are increasing demands that Britain disassociate itself from American policy in Vietnam.

Britain's concern over Vietnam is intensified by its own problems in the Far East. It is heavily committed to support Malaysia in its struggle against guerrilla attacks by Indonesia. Producing about one-third of the world's rubber and tin, Malaysia is an important economic prize where there are heavy British investments.

Labor Party foreign policy places heavy emphasis on efforts toward disarmament and against the spread of nuclear weapons. Unlike the Conservatives, the Laborites are ready to give up Britain's own independent nuclear deterrent and depend on American military power. Their effort is complicated, however, by the MLF–ANF controversy.

Diplomats who have watched Wilson closely say he has two major objectives in foreign policy: one is to seek new ways of reducing East-West tensions; the other is to direct Western attention increasingly to the Middle and Far East, where he believes the problems are more pressing than they are in Europe.

By all odds the most imperative challenge facing the Labor Party is the herculean task of revitalizing and modernizing Britain's antiquated and sluggish economy.

One of Wilson's first moves in this area has been to try to cut Government spending on defense. This is mirrored in his effort to avoid the expensive MLF and to junk new, high-priced weapons such as the TSR–2 bomber.

This could be extremely significant if he is willing and able to go far enough. If he could shift the country's concentration of money, scientists, and technologists away from defense and into badly needed civilian export industries, the effects would be far reaching. But the job is both difficult and politically dangerous.

To deal with immediate crises in the balance of payments and pound sterling, the Government has been forced into a variety of short-term measures. These have included unprecedented international borrowing of $3 billion, a temporary 15 percent surcharge on most imports, and a hike in the basic bank rate from 5 to 7 percent.

The basic need is to increase exports and boost the rate of economic growth. Labor has pinned its hopes chiefly on Government-led efforts to plan the national economy, check the rising spiral of prices and wages, and prod both business and unions into better performance.

In the field of economic planning, top British officials talk privately of a scheme similar to the one used successfully in France since 1946. Such a program would set targets for economic growth, together with production goals for major industries. It would not be compulsory, but might offer financial incentives to encourage cooperation. This concept is considerably more ambitious than the limited approach to planning that was made by the Tories.

A new Ministry of Technology has been established to encourage industrial modernization. A new Ministry of Economic Affairs is to do long-range planning and find ways of strengthening industries that are most inefficient. A new agency to review price and wage increases may be given some indirect regulatory authority in an effort to hold the inflation line. And a variety of incentives are being considered to stimulate exports.

These are difficult measures to carry out. More important, there is a serious question as to whether they are adequate for the size and complexity of Britain's staggering economic ailment.

A few figures tell the story. There have been recurrent financial crises—three in 7 years; repeated balance-of-payments deficits—seven in the past 12 years—with one of the worst last year; persistent trade deficits—six in 7 years.

Economic growth has been slow and uncertain. The Labor Party estimates that if British growth had just kept pace with that of the rest of Europe since 1951, national income last year would have been a third higher, an extra $2.2 billion.

Exports are vitally needed, but in 1963 only 29 percent of British manufactured goods were sent abroad, the lowest level in 10 years. Britain's share of total world exports of manufactures has dropped steadily since 1953.

The causes for this economic malaise have their roots deep in a maze of sociological and economic factors that are not easy to change. One astute observer expressed the views of many when he remarked:

"The British are slow to change, probably too slow. Many of their methods are not modern. They are hampered by restrictive labor practices and inefficient management. Some factories, schools, and public facilities are hopelessly out of date.

"Furthermore, the economy rests on a precariously narrow base. There are few raw materials aside from minerals. Britain must import, manufacture, and export in order to live. To do so profitably, it must compete. But it has lost markets and become less competitive."

What is needed, say many, is nothing less than a national will to make drastic, fundamental changes. What is needed, as Prime Minister Wilson said recently, is "the spirit of Dunkirk."

No doubt there will always be an England. The question is—what kind.

[From the St. Louis (Mo.) Post Dispatch, Mar. 28, 1965]

COMMON MARKET HELD BEST HOPE OF ENDING EUROPE'S NATIONALISM—ECONOMIC COMMUNITY, NOW 7 YEARS OLD AND APPARENTLY IN SOUND CONDITION, EXERTS INDIRECT POLITICAL FORCE THAT MAY EFFECT GREAT CHANGES

(By Thomas W. Ottenad)

PARIS, March 27.—The European Common Market is becoming an increasingly powerful

force in world affairs. Through its concept of integrating national policies into a broader, supranational framework, it is exerting a significant influence on both economic and political life in Europe and the world.

It already has pulled the economies of its six-member nations into a close and cohesive relationship. In time they may merge into one economic entity in which a common European policy will replace individual, national goals.

The power of the European Economic Community is making itself felt far beyond its boundaries. It is exerting heavy influence on world trade, international monetary policy, tariffs, economic relations and agricultural and industrial life.

It also has become a major although indirect political force that may greatly affect the future shape of Western Europe. The "Eurocrats" at the head of the Common Market are among the strongest advocates of European unity and close partnership with the United States. Although both of these undertakings appear to be stalled, leaders of the EEC are fighting to keep them alive and to protect the limited progress that has been made.

They are working for the day when the Common Market can be expanded into a true political federation, leading the way toward a United States of Europe. Until that distant dawn, they are pushing ahead, confident that through greater economic integration they also are slowly but surely tying the knot of political union.

In this effort is the bright promise of the EEC. By all odds the most imaginative, forward-looking political development in Europe since World War II, it offers the best hopes for some day ending the national rivalries of this ancient continent and moving to a more rational and stable pattern of cooperation and unity.

After 7 years of troubled existence, the EEC appears today to be in sound condition. It seems to have recovered from the shock and paralysis that griped it 2 years ago after France vetoed Britain's application to join the Common Market.

At EEC headquarters in Brussels there is an air of confidence and assurance that was lacking after the French action. Top officials believe there is no longer any danger that the organization can be destroyed.

The Common Market now is moving toward its goals of creating first a customs union, then a full economic union and eventually a political union of its six members—France, Germany, Italy, Belgium, the Netherlands and Luxembourg.

Outstripping its original timetable in a number of fields, it is far ahead of schedule in its drive toward formation of a customs union. The job is nearly three-quarters complete. It looks as though it will be finished by July 1, 1967.

By that time, 2½ years ahead of schedule, there is a good chance that the Common Market will have achieved the two traditional hallmarks of a customs union—free internal movement of trade and a common tariff policy in dealing with the rest of the world.

Progress toward both these objectives has been impressive. All quota restrictions on industrial goods moving from country to country inside the EEC have been eliminated. Original internal tariffs prevailing when the Common Market came into existence in 1958 have been cut by 70 percent. This means that articles traveling between any two countries within the Common Market now are subject only to 30 percent of the national duties in force before the EEC was formed. The task of eliminating internal tariffs is now 40 percent ahead of the schedule outlined in the Treaty of Rome, which created the Common Market.

This freer climate has contributed to a phenomenal increase in business among the six members of the EEC. Intramarket trade leaped by nearly 130 percent between 1958 and 1963, climbing to $15.7 billion. Of course, not all of this gain is due merely to reduction of trade barriers. Much of it is the result of rising prosperity and the emergence of a mass consumer's market, which Europe previously lacked.

The task of creating a single schedule of external tariffs is moving forward rapidly. Each nation in the Common Market has its own duties, but they are being moved gradually toward a common set of levies that will apply to all. The job is now 60 percent complete.

For most goods the common external tariffs will be based on the arithmetical average of the national duties that were in force one year before the EEC came into being. The change will result in lower trade barriers in France and Italy, both high-tariff countries. It will mean higher walls in Germany and the Benelux nations, traditional free traders.

The movement toward a common external tariff has been accompanied by substantial increases in trade with the rest of the world. Between 1958 and 1963, imports by Common Market countries from the rest of the world rose by 53 percent, reaching a total of $24.6 billion. By comparison American imports in 1963 amounted to $17 billion. The EEC is the world's biggest customer.

By mid-1967 it is possible that the Common Market will have completed measures allowing the free movement of labor, capital, and business within the EEC. A common agricultural policy, which already covers 86 percent of the community's farm output, may be fully operative by that time, too.

Beyond the stage of a customs union lies the broader, more difficult goal of unifying the entire economies of the members of the Common Market. This will require a variety of actions, including steps to prevent price-fixing or other restrictive business practices and to harmonize manufacturers' taxes.

Also needed are common policies to replace national programs in transportation and foreign trade, together with coordination in labor matters and financial affairs.

Initial steps have been taken in many of these areas. Experts in Brussels attach special importance to progress that is being made toward dealing with economic and financial matters on a communitywide basis. Last April in what constituted the first act of community economic policy, the six nations agreed on a common approach in combating inflation. They also made a start on economic planning and on strengthening the structure of their financial and monetary cooperation.

Some European officials think the eventual result may be the formation of an EEC monetary union. A powerful but indirect impetus in this direction stems from the common grains price set last December by the community. The fixed price makes it extremely difficult for individual members of the community to revalue their currencies unilaterally.

If a monetary union should evolve, making it possible for the EEC to act as a single powerful unit, it would have far-reaching significance in international financial matters. What form the union might take is open to speculation. It might set fixed rates of exchange among the six, provide for pooling of national monetary reserves and take other steps.

It might, say some enthusiasts, even lead to creation of a common EEC currency to replace the present national systems. Remarked one EEC official, "A few years ago it would have been impossible to talk of a common currency. Now no one even seems upset when the idea is mentioned."

Beyond the economic sphere there gleams dimly the greatest of all the promises offered by the EEC: the prospect of political union for Western Europe. Only limited progress has been made in this field. Further advances may be stymied for many years because of French President Charles de Gaulle's opposition to political integration.

Even though direct political action may be impossible, leaders of the EEC believe that progress in the economic field is serving to push Europe toward greater unity. They insist that important economic decisions are, by their very nature, political.

Emphasizing this theory, Dr. Walter Hallstein, president of the Common Market, told the Post-Dispatch, "The community is half political. We are not in business. We are in politics.

"We are pooling national policies concerning the economic field. We are already an economic and social policy union. What is in the air now is the second half of the work of the big book of European unification in this century—the union of foreign and defense policies."

There is a dispute over whether direct political activity is a legitimate function of the Common Market. The French are inclined to argue that it is not. They point out that the Treaty of Rome makes no specific provision for political integration.

While this is true, it is also true that there has been one underlying objective ever since the current movement to unify Europe began in 1950 with the "Schuman declaration" that led to establishment of the European Coal and Steel Community. The continuing goal of leaders of this effort has been eventual political federation. At times even the French have appeared to accept this premise.

Perhaps the greatest political value of the EEC lies in the strength and dedication of its leaders. They are determined to prevent the permanent creation of the kind of Europe that many of De Gaulle's critics believe he favors: a limited alliance cut off from intimate connections with the United States.

"We may have to move in the direction of De Gaulle's concept of loose alliances," said one high-ranking official of the EEC. "But if we do, the move will be temporary in nature and it will not be anti-American in character." He paused a moment, then added forcefully:

"There is no chance that the other five members of the EEC would join a Europe that is closed, inward-looking and anti-American. The choice that must be made is between a new Europe—one that is united but open, outward-looking and intimately associated with the United States—and the old Europe—one that continues to be divided and disunited."

A number of recent actions have contributed to the new strength of the Common Market. Chief among them was establishment of a common grains price last December. The decision ended a dangerous internal battle between France and Germany. It also opened the way for broader economic and political cooperation.

Earlier this month initial agreement was reached on a plan for merging the EEC and its two sister organizations, the European Coal and Steel Community and the European Atomic Energy Community. The first step, due at the beginning of 1966, will be the formation of a single executive branch. This is to be followed evenually by complete merger.

Another step forward is expected next January 1 when the present right of veto will expire on most major questions except treaty revisions and admission of new members. A new system of voting by qualified, weighed majorities will come into effect.

Under the new procedure, it will be possible for any one of the three large members of the EEC to be outvoted. As a result, France's ability to block action desired by the other five members of the community will be sharply reduced. Those who favor greater political integration hope that the change will make faster action possible.

There appears little likelihood that the question of British membership in the EEC

will be taken up again in the near future. Government leaders in London made it plain that the Labor Party has no intention of renewing the nation's application for membership.

Relations between the Common Market and the United States have been marred by a fight over agricultural policy. American officials believe the EEC approach is a highly protective one that threatens to eliminate outside competition. The pessimistic fear that eventually the Common Market will be able to cut off imports of many items almost at will.

American interests aside, some informed sources question the effectiveness of the EEC's approach. They believe it may stimulate production, creating troublesome surpluses. They note that the European plan provides no direct physical controls to curb production.

There has been concern in some business circles in the United States that formation of the Common Market may damage American exports of manufactured goods. With internal levies removed but with external tariffs remaining around the EEC, there is fear that American firms will be placed at a disadvantage. The desire to get inside the EEC tariff wall explains in part the increasing tendency of American firms to establish European subsidiaries.

EEC officials believe American fears are groundless. They assert that the EEC's position on industrial trade has been generally liberal. It has cut industrial tariffs and can show that its average levy is lower than those of either the United States or the United Kingdom. Trading experience so far has been highly favorable to the United States.

The EEC is compiling an impressive record in many fields of economic and social policy. Among major actions, it has:

Established the principle of equal pay for men and women; created a social fund to finance the retraining of displaced workers; established antitrust laws; moved toward free movement for capital, labor, and business within the EEC; taken steps to assure equal rights for migrant workers; made loans to underdeveloped areas of the Common Market; laid the groundwork for a regional development policy; given financial aid to nations, largely in Africa, that are associated with the EEC; banned national discrimination in the transportation of goods and started work on a common energy policy.

Economic progress has been impressive, whether the EEC is cause or corollary. Wages and salaries of individual workers rose by 56 percent in 5 years after establishment of the EEC in 1958. Consumer prices in the same period rose only 16 percent. The community has become the fastest growing major economic area in the Western World. Between 1958 and 1963 its growth in both industrial production and gross national product outstripped that of the United States.

The linkage of six nations has created a powerful economic base. The EEC's population of 179 million is only slightly less than that of the United States. Its working population of 72 million is actually somewhat higher than that of America. Gross national product in 1963 was $249 billion, nearly half that of the United States. It is the world's largest trader, standing first in imports and second in exports.

A controversy is expected later this year within the EEC over a proposal to change the method of financing the community's agricultural support system. There are disagreements over the size of export subsidies, which principally benefit France, and over the distribution of revenues from import levies.

The outlook for the Common Market for the future appears to be for further advances toward economic unification but continued controversy and perhaps stalemate in the field of political union.

A top official of the EEC told the Post-Dispatch, "I think the situation that has prevailed for the past 2 years will continue for some time. On one side, the six nations are working together in the field of economic integration, making good progress.

"On the other, they are quarreling over political union, nuclear defense, foreign policy, enlarging the EEC, and over relations with the United States. We believe Europe must unite and be independent, but that its independence must be built in conjunction with, not against, the United States.

"We could move a lot faster if there were not so much anti-American feeling at the top in France."

ADDRESS BY WADE B. FLEETWOOD TO MINNESOTA STATE JUNIOR CHAMBER OF COMMERCE

Mr. McCARTHY. Mr. President, I have been informed that the Minnesota State Junior Chamber of Commerce convention held in Moorhead, Minn., on February 12 and 13, 1965, was a productive and well-attended one.

One of the highlights of the work of the convention was the presentation of the Partners of the Alliance program as a statewide project. This project was initiated by the Minneapolis Jaycees, and was unanimously adopted by the board of directors; a partners resolution was adopted during a business session attended by 500 delegates; and the program was detailed at a luncheon meeting, and was discussed further at a forum.

The luncheon speaker was Wade B. Fleetwood, special assistant in the Partners of the Alliance programs, Agency for International Development, Washington, D.C. Nearly 650 junior chamber members attended the luncheon, and heard how they can lead Minnesota in the organization of a statewide program in partnership with Uruguay.

The President of the United States mentioned the Partners of the Alliance programs as one of the accomplishments of the Alliance for Progress in his foreign aid message of January 14, 1965; and I ask unanimous consent that the address by Mr. Fleetwood be printed in the RECORD, so that Minnesotans and others throughout the country will have a better understanding of the partners programs.

I also ask that a report from the February 19 issue of Time magazine be printed in the RECORD.

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

ADDRESS BY WADE B. FLEETWOOD, SPECIAL ASSISTANT, PARTNERS OF THE ALLIANCE PROGRAMS, ALLIANCE FOR PROGRESS, ON THE OCCASION OF THE MINNESOTA STATE JUNIOR CHAMBER OF COMMERCE LUNCHEON MEETING, HELD IN THE CIVIC AUDITORIUM, FARGO, N. DAK., FEBRUARY 13, 1965

Mr. Toastmaster, distinguished guests, Jaycees of Minnesota, ladies and gentlemen, your international director of the Minnesota Jaycees, Mr. John Kotula, reminded me last night that Abraham Lincoln once noted that it was possible for him to prepare a 1-hour speech in 5 minutes, but that to prepare a 5-minute speech it took him 1 hour. As to my talk today, I will speak a little more than 5 minutes and a lot less than 1 hour. As most of you know, it will be my pleasure to participate in a special forum later in the afternoon at which time I will put myself in the bull's eye and do my best to answer your questions in detail in regard to the Partners of the Alliance program.

I feel that I would be remiss in my duty as a guest in your State if I did not pause to salute an outstanding Minnesotan and American, a great Senator and Vice President, your own HUBERT H. HUMPHREY. It is my understanding that the Vice President and the mayor of Minneapolis, Honorable Arthur Naftalin, participated in a TV show in St. Paul last week in which both indicated their interest and strong support of the partners program. It is certainly a pleasure to welcome the support of the mayor and the Vice President of the United States.

I am also advised that Gov. Karl F. Rolvaag has expressed in a like manner his interest and support of this newly developing program under the Alliance for Progress. Yesterday, at the airport in Minneapolis, where I participated in a press conference upon my arrival from Washington, D.C., I had an opportunity to meet with Mr. Robert Goff, an administrative assistant to the Governor. He reaffirmed the Governor's intention to follow the program closely and lend the support of his office to enhance its development in Minnesota.

Also, your Minnesota congressional delegation is taking a leading role in making the partners program known among the citizens of this State. We are indebted for the assistance given by Senator EUGENE McCARTHY, whose initial letters regarding the partners program directed to certain of your State leaders, started the chain of events culminating in the presentation of the program today at this convention. Just this week, I had a visit with Senator MONDALE who was very enthusiastic about the prospect of Minnesota participating in the "grass roots" program. Further, I had a meeting in the office of Congressman ALEC OLSON prior to coming to Minnesota. The Congressman has a deep interest in the on-going program between Montevideo, Minnesota, and Montevideo, Uruguay, and welcomes the complement to this program that a statewide Minnesota Partners of the Alliance Program would offer to the rural areas of Uruguay. Congressman CLARK MACGREGOR of the 3d District and I traveled on the same plane yesterday from Minneapolis to Fargo and earlier, had a brief discussion of the partners program. Others of the congressional delegation are also looking forward to the report regarding the partners program and its presentation at this convention.

It is a pleasure to say a special word on behalf of the Minneapolis Junior Chamber of Commerce for the initiative and action-mindedness of their leadership that have brought the partners program as a project for the consideration of this convention. These young men have done much groundwork prior to the submission of their report to the International Relations Committee.

Another word of special thanks should be extended to the Moorhead Jaycees for staging this great Jaycee convention. They are to be commended for the outstanding arrangements they have attended to in making the delegates welcome and comfortable. Let's hear it for the Moorhead Jaycees. I feel right at home among Jaycees. Last May I flew directly to Moscow, Idaho, from Ecuador. There I joined your last year's national Jaycee president, Mr. Richard Headlee on the program at the Idaho State Convention of the Junior Chamber of Commerce. He, too, reflecting the drive and vigor of all Jaycees, was very much interested in the new Partners of the Alliance program and my first hand report from Latin America.

I feel that I must warn you that I became rather used to an old tradition in the Senate during my days on Capitol Hill. It was my

pleasure to have served as executive secretary to Senator FRANK CHURCH for 7 years. Since coming to AID, and especially since working with this partners program, I find that I tend to filibuster. Please forgive me. Senator CHURCH and I grew up in the same block in Boise, Idaho. We enjoyed a friendship stretching back over 30 years. When we first came to Washington, D.C., an acquaintance of mine said, "Is it true that you and Senator CHURCH grew up in the same block?" I said that it was. "And is it true that you went all through school together?" I affirmed this. "Then why is it," he said, "that he looks so young and you look so darn old?"

Another young man, John Kennedy, of whose words we were reminded last November 22, said, "To other peoples in the huts and villages across the globe struggling to break the bonds of mass misery, we pledge our best efforts to help them help themselves, for whatever period is required * * * because it is right."

President Johnson, in his state of the Union address on January 4, 1965, twice referred to the Alliance for Progress, noting that we had "joined in an Alliance for Progress toward economic growth and political democracy," and, he affirmed, "I will steadily enlarge our commitment to the Alliance for Progress as the instrument of our war against poverty and injustice in the hemisphere."

In looking at our hemisphere, many have said that we face with the Alliance for Progress an even greater task than was undertaken by the Marshall plan in Europe. There, we sought to repair the ravages of 5 years of war while here we face the problems of five centuries. The Alliance for Progress has been the catalyst to commence the needed changes that will help build the economic institutions demanded for the growth and full development of the great potential of this hemisphere. The problems requiring attention are many and include land and tax reform and pressing problems regarding education, health and agriculture.

Last year a valuable conference was held in Washington, D.C., for the purpose of discerning the progress of the Alliance program. Mr. Bill Rogers, the Deputy Coordinator of the Alliance for Progress, chaired the conference. All of the U.S. AID mission directors in Latin America participated and sat side by side around the conference table, affording them an opportunity to come together and compare notes as to the workings of the economic programs underway in a great common effort in all of Latin America. The concensus was that much progress has been made toward attaining the goals of the Alliance for Progress.

By the end of fiscal year 1965, under the Alliance, U.S. AID will have helped provide over 36,000 classrooms; over 11 million textbooks; will have constructed over 2,100 water systems benefiting 24 million people; will have built 735 hospitals and health centers extending medical service to nearly 9 million people; will be feeding over 22 million people under Public Law 480; will have built 3,000 miles of road and trained nearly 75,000 teachers. This is achievement. Our share in this undertaking is $1 billion a year. Though this amount is very great, it is less by one-third than the $1½ billion we spend on our lawns and crab grass; it represents one-third of 100th of our income; it contrasts with the yearly increase in our wealth which is 15 times what we invest in Latin America. The countries of Latin America are heavily committed to the financial support of the Alliance also and, in fact, put in a great deal more than do we.

Under the Alliance for Progress, the government to government programs that have been launched are designed to help the countries of Latin America build their own institutional capabilities and to resolve their own problems. But it takes time to build institutions. Look at our own history. It takes time to develop an agricultural extension service. It takes time to build a savings and loan system. It takes time to establish cooperatives. It takes time to build a solid educational base and to train technicians. It takes time to build institutions to the point where they have impact on the people. In this institute-building process, the skeleton is the Alliance for Progress. It is people like you who contribute the flesh and blood to make the Alliance a living reality. We are reminded that in the charter of Punta del Este, it says "it is the purpose of the Alliance for Progress to enlist the full energies of the peoples and governments of the American Republics."

Last May 6, 1964, President Johnson, in a White House news conference said, "While the efforts of governments are vitally important in the struggle for hemispheric progress, the efforts of private persons and groups can also have great impact." He was speaking of the Partners of the Alliance program.

This, then, is in answer to the question, why was this program begun? The partners program is an effort to get the needed items right into the hands of the people in the slum and rural areas of Latin America who are trying to help themselves. The program dates from the assignment of my colleague and director of the Partners of the Alliance programs, James H. Boren, as the deputy mission director in Peru. Among other duties, Mr. Boren was the leg man for the mission and traveled throughout the country to meet the people and see what they were doing to help themselves. He found that they were engaged in many small projects in the villages and communities throughout Peru to better their lives. They often approached him with requests for mission assistance to implement the projects in which they were engaged. But funds could not be dissipated from the institution-building efforts underway in the country. In an attempt to get to those people with the small amount of financial assistance needed to make the difference between a project completed or abandoned, Mr. Boren saw the need to join the private sector forces in the United States with these efforts taken by small groups in Peru. He sought to bring together the needs he saw with the resources of United States organizations and groups that were willing and anxious to lend a hand. This was the formation of an alliance of peoples in a meaningful partnership for progress. Here was an attempt to buy a little time until the institution-building efforts made themselves felt on the people in the countryside.

The help that Mr. Boren was able to get to implement the numerous small projects was not in the form of gifts, but rather tools to finish a job. To us, in this program, a project is a blackboard for a school, a pump to lift water from a well, a generator to provide a little light, some toolkits with which to learn a trade. These are the items that help give a vital sense of movement to the Alliance for Progress in the rural areas of Latin America where the help is needed most. It is a program that complements the Alliance for Progress, seeking as it does to meet immediate needs of people.

Last May I had the opportunity to go to Colombia and Ecuador and meet with mission officials looking toward further implementation of the partners program in those countries. I was interested in seeing the people and learning of their problems so that I would have a first-hand grasp of the battle being waged against those forces that would keep men in poverty and want. I saw a town that had been rebuilt. Pelileo was destroyed in a great earthquake in 1949 and 7,000 of her citizens lost their lives. As the Ecuadorans said, not a stone was left on a stone. But those people have rebuilt their town a couple of miles away from the old site. I saw their wide streets and neat buildings and the pride on their faces. I visited the small hospital with its one doctor. The operating table is what you and I would call an examination table and the light for that room was a goosenecked lamp. There were no anesthetics. Since that visit, Idaho has become the partner of Ecuador and has assisted the people of Pelileo in their efforts.

Senator CHURCH recently told me that as he walks down the streets of Boise or Pocatello, people stop him and say, "Sure Senator, I know what the Alliance for Progress is and what its principles are. But what can I do to help the Alliance?" Senator CHURCH tells them now that they can help through their Lions, Kiwanis, Business and Professional Womens' clubs, Rotary groups, Junior Chamber of Commerce chapters, League of Women Voters and other local civic organizations through the Idaho Partners of the Alliance.

This partner program is a real challenge, a real test for the private sector. The opportunities to directly participate are unlimited. There is enough for all. And Minnesota has a target. Your partner is Uruguay.

Uruguay is south of Brazil and east of Argentina. Small in comparison with its neighbors, it is larger than Belgium, the Netherlands, Denmark, and Switzerland combined. Nearly 82 percent of its land area is devoted to livestock raising, while 10 percent is utilized with the raising of crops. Over one-half of its boundary is water—the ocean, rivers or lakes. The beautiful coastal city of Punta del Este gave its name to the charter that established the Alliance for Progress. Uruguay is a social democracy and does not contain the extremes of wealth and poverty common to the majority of Latin America.

The partners program offers the opportunity for Minnesota to develop a substantive program involving all the citizens of your State with the rural areas of Uruguay. It could be a meaningful augmentation to your on-going Montevideo program with the capital city of Uruguay. But to be really effective, it is imperative that you reach the people in this State—every group and organization within your borders can participate in the Minnesota Partners of the Alliance program. It is a channel through which civic clubs, unions, business, and professional groups, schools and even private individuals can work directly with the people of Uruguay.

What are the steps that can be taken in Minnesota to effect a statewide program and what can the Jaycee's do to spearhead the effort in this State?

First. The Jaycee's can be the leaders to help direct the selection of a statewide representative committee. All spectrums of life in Minnesota should be represented in that body.

Second. It would be the responsibility of the State committee to select a strong State chairman and executive committee.

Third. A nominating committee drawn from the parent committee would have the responsibility of selecting a program development team whose membership should encompass the fields of education, health, labor, business and civic organizations.

Fourth. Our mission in Uruguay will issue invitational travel orders for your Minnesota team to go to Uruguay and see the people. They would first meet with U.S. AID officials for briefings on the economic programs developing within that country as well as political briefings by our Embassy. The team would experience no junket, nor pink tea visit, but rather would ride in jeep or boat or plane to get out into the countryside, and would wade in the backwash of the

rivers and eat the dust of the open road. Our teams return from Latin America complaining that they have no time to buy souvenirs. Their schedule each day is an arduous one.

Fifth. Your Minnesota team would then report their findings back to the State committee and discuss the self-help projects they had witnessed. It would be their task to help formulate the program by which the material and human resources of Minnesota could be marshaled and brought to bear upon the need they found.

Sixth. Finally, every Jaycee chapter in the State would be called upon to seek the groups and organizations within their communities to implement small impact-type projects that mean so much to the people who, by their own hands, are attempting to make for themselves and their children a better life. It is a fact that there is widespread self-help in Latin America and it is one of the reasons why the American people and the Congress are responding to the partners program. Our partners office acts as a catalyst to bring the private sector here and in Latin America together and 25 of our States are now engaged in the program. In his foreign aid message of January 14, 1965, the President of the United States saw fit to mention the partners program as one of the accomplishments of the Alliance for Progress. It is your program. The Government stands in the wings to serve as your resource, to speed communications and transportation between you and your partner.

In such a program, a program in which the efforts of all your citizens are important, each Jaycee chapter throughout Minnesota can function to develop this statewide program by taking the lead in your communities. I know of no more action-minded group to show the way. I urge you to lead. Your counterparts in Idaho, Colorado, and Alabama have launched the program. I predict that Minnesota can soon lead the Nation in a mighty response of the people here to lend a hand to those already helping themselves. I know that Minnesota will meet their extended hand not with charity but with friendship.

America is responding through her citizens in meeting the challenge. They seek to lift the eyes of despair to hope, to join hands with friendship.

America is responding through her citizens in meeting the challenge. They seek to lift the eyes of despair to hope, to join hands with those who seek to improve their lot, and thus, together, attain a vast improvement in the lives and spirits of men throughout the Americas.

I have come here today to seek your help, looking toward the prospect of Minnesota, with its industrious people and its bountiful resources, joining in a meaningful partnership with Uruguay. I am confident that Minnesota will respond.

[From Time magazine, Feb. 19, 1965]

THE ALIANZA—STATES-TO-PEOPLE AID

The biggest share of Alliance for Progress aid goes into long-term development programs, and it often takes a desperately long time to filter through Government bureaucracies. To give ordinary Latin Americans a sense of progress now, the United States is backing a new program called Partners of the Alliance. The idea is to match a U.S. State with a country, region, or large state in Latin America that shares some common characteristics and let the partners take it from there.

Since the program started 17 months ago, 22 U.S. States have joined, and 13 more are expected to sign up by the end of this year. Alianza officials in Washington establish the first contacts between the State governments and their Latin American opposite numbers. Utah is paired with Bolivia because both have a mountainous, mining economy; Illinois is matched with the big Brazilian state of São Paulo, whose booming highly industrialized capital city is Latin America's closest facsimile of Chicago. Most of the U.S. States then send a delegation down south to see how they can be useful; then get in touch with local organizations at home to get the plans going.

A shipment of 21 tons of electrical equipment from rural electrical cooperatives in Kentucky is helping an Ecuadoran cooperative double its output; Wisconsin plans to send a similar shipment to Nicaragua. Idaho has sent sewing machines to an Ecuadoran orphanage where the girls learn to become seamstresses. The junior chamber of commerce in Mobile, Ala., has sent to Guatemala a bookmobile and funds to build a rural school, while Santa Barbara, Calif., has provided $100,000 worth of medical equipment and pharmaceuticals for Bogotá.

Last week a Texas delegation headed by Edward Marcus, of Dallas' Neiman-Marcus department store, returned from Lima, where the Texans investigated joint-venture possibilities with Peruvian businessmen. And a group of New Jersey civic leaders is just back from a visit to Brazil's underdeveloped northeast state of Alagoas, looking for ways to help Brazilians help themselves. In one village the North Americans promised assistance for 10 self-help projects, starting with a powerful pump for an irrigation well. Arthur Byrnes, assistant Alianza director for Brazil, explains: "This program is small in terms of dollars. But it is reaching the people directly, bringing about immediate results, and that makes a great difference."

THE NEW FARM BILL

Mr. McGOVERN. Mr. President, my attention has been called to the fact that the press-association articles on the farm bill sent to Congress today feature the statement that it will increase a little the consumer cost of bread.

Personally, I think the big news in the farm-bill story is that the income of farmers, who have been hard pressed for a decade now, is going to be improved a little, the rate of disappearance of farming units will slow down some, and the national economy will be stronger, as a result of the proposals the administration has made.

It is an interesting fact that strenuous efforts are always made to arouse consumers about farm bills, but the protests are almost always synthetic; they are not bona fide consumer protests.

The editor of the editorial pages of the Des Moines Register and Tribune made a speech at the fifth annual Farm Policy Review Conference here in Washington, in January; and he pointed out that the "bread-tax" cry was raised by a certain farm organization and agriculture-related industries, and that it did not originate with consumer or labor groups.

The editor, Lauren Soth, had the assistance of Dr. Don Hadwigger, of Iowa State University, in going over labor and consumer publications for 10 years.

Mr. Soth said, in his talk at the conference:

There has been a great deal of talk in farming circles in recent years about "poor public relations," "bad press for agriculture," and the like. But I have found little evidence of this. In preparation for this paper, a search of recent (last 10 years) published materials of labor unions, consumer groups, and urban groups failed to produce significant examples of protest against farmers because of high food costs.

As a matter of fact, the AFL-CIO usually has backed farm income support legislation in Congress. Consumer and urban groups, to the extent that they have taken an interest in agriculture at all, have been more concerned with the problem of poverty in agriculture, migratory farm labor, the absence of welfare legislation for farm workers, and that sort of thing, than in food prices. The National Consumers League, for example, testifying in Congress on farm labor and rural poverty in 1964, argued that the consumer could well afford the slight increase in cost of food that might accrue through providing a minimum wage and better living conditions for farm laborers.

The truth is that practically all the objection to farm production controls comes from certain farm organizations and agriculture-related industries, which have a stake in large volume farm production, and from theorists who see such regulations as beyond the pale of prescribed doctrine of free enterprise. Farm organizations in some cases have argued that consumer antagonism required a reduction in farm controls. There has been talk of farm price support legislation being a "bread tax" on consumers. So far as I have been able to find, this protest does not come from consumers.

I sincerely hope the press will be fair to farmers, and will report the plight of farm operators.

For example, since 1959, prices received by farmers have dropped 6 percent, but prices paid by farmers are up 9 percent. The parity ratio, reflecting the relationship between prices received and prices paid, stood at 85 in 1958, and was down 10 points to 75 last year.

Giving the farmers 100 percent of parity for domestic food wheat is not going to cost American citizens as much as $3 per capita per year, based on average consumption of wheat products.

Food will still cost American citizens a smaller proportion of their income than food costs in any other nation in the world. Food will still be a bargain; and the American economy will be healthier—to the benefit of everyone in the Nation—if the Secretary's recommendation on food wheat is carried out.

My objection to the new farm bill, which I have examined only hurriedly, is that half the increase in return from domestic food wheat is to be recaptured by the Treasury by discontinuing export certificates—$125 million out of a prospective $250 million gain in farm income—at a time when saving farmers is more important than cutting the farm budget.

The liquidation of farmers hurts cities as much as it hurts rural areas. Half of the unemployment in our cities today is a result of displacement of farmers, who have been forced to move into cities and to search for jobs that are not available.

The modest increase in consumer costs proposed in the administration farm bill is probably a great deal less than city consumer costs will be to pay relief and unemployment costs, if farm income is not brought up to considerably improved and more equitable levels.

TERMINATION OF MEXICAN FARM LABOR PROGRAM

Mr. McCARTHY. Mr. President, in 1963, Congress voted to terminate the

Mexican farm labor program. It did so because of the evidence that the annual importation of some 200,000 or more Mexican workers resulted in severe adverse effects on the job opportunities, wages, and working and living conditions of domestic migratory farm workers.

Congress gave the employers sufficient notice, of nearly a year and one-half, that they would have to make adjustments and develop new methods of recruiting workers.

It certainly was not the intention of Congress that the purpose of terminating Public Law 78 was to be offset by a great increase in the number of foreign workers recruited under another program permitted by the immigration laws.

I believe that Secretary of Labor Wirtz deserves commendation for his conscientious efforts to deal with this problem and to keep the number of foreign workers at a minimum.

Recently, representatives of the eastern and southeastern councils of churches met in Washington. This region includes 22 States, from the eastern seaboard through Minnesota. They issued a thoughtful statement regarding the migratory farm labor problem and the work of Secretary Wirtz; and I ask unanimous consent that their statement be printed in the RECORD.

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

STATEMENT OF EASTERN AND SOUTHERN COUNCILS OF CHURCHES CONCERNING MIGRATORY FARM LABOR

WASHINGTON, D.C.—Representatives of 22 eastern and southeastern State councils of churches meeting in Washington sent a message today to Secretary of Labor Willard Wirtz and congressional leaders supporting Mr. Wirtz in his firm stand against continued importation of foreign farm labor unless the grower can prove in good faith that he cannot recruit an adequate supply of domestic labor.

The statement said:

"The migrant ministry of the churches working together through the Councils of Churches has always conceived of its mission to include a ministry to both farm laborers and growers. In the interest of both, we recommend continued opposition in principle to the importation of foreign labor because of its detrimental effect on the domestic labor market and the agricultural economy of the Nation, and because it is believed there is sufficient domestic labor to meet the growers' needs if they are properly recruited, trained, and paid.

"It is recognized, however, that during the period of transition from the use of foreign to domestic labor many growers and those who must supply farm labor are faced with complex problems, but it is believed that the present regulations set by the Secretary of Labor are adequate.

"These regulations sharply restrict the use of foreign labor, but do permit their importation for emergency needs where the grower has demonstrated his inability to employ domestic labor.

"We firmly oppose any legislation that would open the door to the importation of foreign labor and express confidence in the Secretary of Labor to administer these regulations. It is strongly recommended that he not certify the importation of foreign labor until it has been demonstrated to him beyond reasonable doubt that the growers, in good faith, have exhausted every means possible of securing domestic labor without success.

"We also recognize that some growers face legitimate problems during the first year of transition from foreign to domestic labor and will need the Secretary of Labor's help in securing the labor they need.

"We are pleased to hear of and commend those growers who have by their own efforts and initiative raised farm labor standards and wages and have attracted sufficient domestic labor to meet their needs.

"The Secretary of Labor is also urged to intensify the efforts of Government to help provide an adequate supply of better trained domestic farm labor for the growers, and to raise labor standards so that no grower will need foreign labor in the future.

"We urge continued support for further migrant labor legislation to provide for (1) extension of the Migrant Health Act; (2) an agricultural minimum wage; (3) collective bargaining rights for farm workers; (4) prohibition of harmful child labor on the farm; (5) better recruitment, transportation, and placement procedures for migratory farm workers, and (6) the establishment of a National Advisory Committee on Farm Labor."

Executive secretaries and directors of migrant ministry from 22 eastern and southeastern State councils of churches have been attending their eastern regional conference on the migrant ministry this week at the National 4-H Center in Washington.

EQUITY FOR AGRICULTURE

Mr. McGOVERN. Mr. President, Anson Horning, of the National Association of Wheat Growers, has just released a statement supporting the President's proposals today in the wheat section of the new farm bill.

Mr. Horning directs attention to the fact that wheat price has little to do with bread cost; that in 1947, when wheat was $2.80 a bushel—more than the President proposes for farmers at full parity, the price of a 1-pound loaf of bread was only 14 cents.

If the full cost of giving farmers a 100-percent return on domestic food wheat is passed on to consumers, he estimates that it will cost the average family about 2 cents a day, or only $1.60 a person, annually.

I ask unanimous consent that Mr. Horning's statement be printed in the RECORD.

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

STATEMENT OF ANSON HORNING, PRESIDENT OF NATIONAL ASSOCIATION OF WHEAT GROWERS, LARNED, KANS., SUPPORTING PRESIDENTIAL FARM BILL WHEAT PROPOSALS

Anson Horning, president of the National Association of Wheat Growers, said the release of the administration wheat bill with provisions to improve wheat producers income was welcome news to wheatgrowers throughout the United States. "With income down the past few years and operating costs continuing to climb, many growers have been hard-pressed just to meet operating cost," Horning said. He stressed that 100 percent of parity on domestic consumption would improve income to growers without additional costs to the Treasury.

He pointed out the average American consumer today is spending only 18.5 percent of his income for food, and this is a smaller percentage than the consumers of any nation in the world spend for food.

Horning admitted that when the certificate price is increased to reflect full parity, the price of a one pound loaf of bread could increase by about seven-tenths of a cent. He further pointed out, "In 1947 the price of a one pound loaf of bread was about 14 cents and wheat was selling for $2.80 per bushel; now, today, wheat is selling for $2.00 per bushel for domestic consumption, and that same one pound loaf of bread costing consumers 21 cents—an increase of 50 percent to consumers while farm prices were declining almost 30 percent." He continued, "If the wheat farmer had received an 81 percent increase in the price of wheat from 1947 to 1963—the same as marketing spreads had increased—he would now be getting almost $4.00 per bushel for his wheat, and a loaf of bread would be costing consumers more than 24 cents."

"The added income for growers provided in the wheat bill will cost the average family in the United States only about 2 cents per day, or about $1.60 per year for each person. We believe that labor, industry, and the consumers of this Nation want to see Agriculture prosper, and will support this small increase in the price of bread in order to insure a healthy and prosperous wheat industry," Horning concluded.

ADDRESS BY ROGER SAVARY TO ANNUAL CONVENTION OF NATIONAL FARMERS UNION

Mr. McCARTHY. Mr. President, one of the principal addresses at the 63d annual convention of the National Farmers Union, held recently in Chicago, was delivered by Roger Savary, secretary general of the International Federation of Agricultural Producers.

In his address, Mr. Savary reviewed briefly the history and activities of the international federation, and discussed the problems facing farm families in countries where a free economy exists—in particular, that of maintaining the individual owner-operator system of farming. He also dealt with the question of competition between farmers of each nation, as well as their areas of agreement.

I believe that his address will be of interest to all who are concerned with farm problems; therefore, I ask unanimous consent that it be printed at this point in the RECORD.

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

ADDRESS BY MR. ROGER SAVARY, SECRETARY GENERAL, INTERNATIONAL FEDERATION OF AGRICULTURAL PRODUCERS AT THE 63D ANNUAL CONVENTION OF THE NATIONAL FARMERS UNION, CHICAGO, ILL., MARCH 1965

The International Federation of Agricultural Producers had its beginnings some 20 years ago when the decision was taken to broaden the original British concept of a federation of the farmers' unions in commonwealth countries and to set up instead, a world body including at the start the national organizations of farmers in European and North American countries.

There were two major reasons why the response to the call to establish a world farmers' union was received with such favor: The first one was that the experience of the thirties had clearly demonstrated that laissez-faire could no longer be expected to restore even a semblance of balance on agricultural markets but also that no strictly national policy was likely to achieve an acceptable farm situation in a world where recourse to export and import control and to widespread governmental subsidies had become almost universal; the second reason was that the establishment of the Food and

Agriculture Organization of the United Nations (FAO) had raised great expectations in two directions. It was widely anticipated that governments through FAO would promptly evolve a network of international agreements designed to achieve an orderly marketing of the major agricultural commodities on a world basis; and it was equally hoped that a successful attack would be made on the problem of undernourishment and malnutrition in underprivileged areas of the world.

IFAP was an immediate success. The most striking feature of its first conferences was a realization of the extent to which farm leaders the world over agreed on a few fundamental principles and were willing to try to reconcile their differences in the mutual interest of their members.

In the early years of the federation the major problems of world agriculture were, of course, to reconstitute the production potential of farms in all the areas which had suffered directly or indirectly from war operations. These were the years of the Marshall plan and the European recovery program; the years when European farmers were catching up on technical developments which had taken place while they were starved for information and requisites. The concept of productivity became better understood and great strides made everywhere. At the same time world farm leaders realized clearly that agriculture was the most vitally interested economic sector in a rapid growth of the world economy.

In the long run, expanding markets for food would emerge primarily in those areas where people's diets are grossly inadequate and the only way to transform their existing needs into effective demand was a stepped-up rate of their economic expansion. IFAP was, I believe, the first international nongovernmental organization strongly to endorse the United Nations programs of technical assistance and economic cooperation. It was also instrumental in convincing governments to conclude major commodity agreements under which, in particular, an expanding wheat trade at stable prices became possible.

In the early fifties, however, structural surpluses of a few commodities began to hang over world markets and the problem of their utilization became topical. While controversies among exporting countries were taking an unpleasant turn, farmers' organizations in IFAP unanimously recommended and promoted the adoption of international principles of surplus disposal and the establishment under FAO auspices of the Washington Consultative Subcommittee which is still being used as a clearinghouse and as a watchdog body. Simultaneously, IFAP was active in promoting multilateral schemes for the utilization of surplus skim milk powder to improve the milk supply of large Asian cities.

Meanwhile, the extraordinary advances made in this country's agriculture combined with the unprecedented generosity of the American people to launch the gigantic food aid programs of the Eisenhower and Kennedy administrations. But, IFAP remained convinced that a multilateral approach involving all nations would be preferable and worked assiduously to propagate that idea. After many disappointing attempts, the United Nations in 1961 approved the world food program through which food supplies are used, under international management and supervision, to accelerate the economic development of the less developed countries. This program was an experimental one and it is due for renewal and expansion at end of 1965. IFAP has combined its influence with that of the International Confederation of Free Trade Unions (ICFTU) and the International Cooperative Alliance (ICA) to put pressure to bear on governments and insure its continuation as a major tool in the global war against underdevelopment.

The world farming community, which IFAP was established to represent, consists primarily of producers who do not enjoy the benefits of advanced technology and do not as a rule harvest embarrassingly large crops. Although the stage of development reached by many countries in Africa, Asia, and Latin America is not yet such that active and representative organizations of farmers have emerged, many such organizations have joined IFAP during the last few years. They have IFAP's active support in their endeavors to secure a more satisfactory standing for agriculture in national development plans and technical assistance programs, more substantial incentives to increased production, and more acceptable conditions for the agricultural producers. FAO's Freedom from Hunger Campaign, now in its fifth year, was launched to dramatize the magnitude of this problem and it is significant that the first campaign coordinator was the Secretary General of IFAP who has the honor of addressing you this evening.

I could, as you may well imagine, elaborate at length on these activities of IFAP as well as on many others which have left their mark in the contemporary world: the extraordinarily successful record of our European Regional Committee where the very first proposal for a common agricultural policy originated and where in spite of political developments beyond their control—producers' representatives of all European countries continue to collaborate in harmony; the similar meetings held, on this side, among Canadian, United States and Mexican member organizations; the activities of our Standing Committee on Agricultural Cooperation; those of our newly established commodity committees, and many others. But, I would now like to turn to another aspect of farmers' organizations work through IFAP, which can be described as a continuing search for a better understanding of their mutual interests and common problems.

That phase of IFAP's activities concerns the complex issue of how best to achieve and insure a reasonable level of prosperity for viable family farms in the context of a rapidly industrializing economy.

One of the common beliefs held by farmers' organizations the world over is a conviction that there can be no substitute for the unique contribution made to civilization, democracy, and a balanced society by the individual farm operator. And their common experience is that that irreplaceable form of free human enterprise is gravely threatened today.

Leaving aside the predicaments of agricultural producers in those countries whose governments have adopted totalitarian systems which are seldom concerned with the welfare of the rural populations, we can see clearly that farmers today are often confronted with the alternative menaces of ruthless liquidation and economic colonization. But, we can also see that they need to watch carefully many other aspects of the present evolution.

To cure all the difficulties confronting agriculture in a rapidly expanding industrial economy (the least of which is not the tendency of nonfarm prices to increase year after year under the combined influence of cost inflation and demand inflation with the nonfarm sector, notwithstanding the latter's loud claims of ever-improving productivity), many economists in this, as well as in other, countries have a panacea to offer: drastically reduce the agricultural population.

Everybody is naturally agreed that there is an unavoidable relationship between the progress of productivity per man inherent on the implementation of new techniques and a decline in agriculture's manpower requirements. But, there can be no such agreement on three crucial points: the pace which is socially desirable and economically profitable for such transformation; the extent to which they should be allowed to proceed—in other words, the minimum acceptable size of the farm population in a given country; and the policies best suited to insure a smooth transition from the ways of farming of yesteryear to those of decades to come.

This is not the time to discuss these issues in depth. But, it is perhaps relevant to note that those who advocate the urgent and radical transformation of farming patterns seem to be less concerned with the extent to which, and the ways in which, this could be achieved without unacceptable hardships for millions of farm families and, indeed, for the local and national communities as a whole, than with the solution of fiscal and political problems. Problems which the increasing prosperity of the Western economies would seem to have reduced to quite manageable proportions.

The threat of liquidation concerns farmers in practically every country and the formulation of positive instead of negative policies to size up rationally and to cope constructively with adjustment in agricultural population numbers is a challenge of our time.

But, the need will remain as these policies are being evolved and implemented—and long after they have alleviated current difficulties—to maintain the safeguard of farm supports. This is precisely what the proponents of a drastic rationalization of farming patterns prefer to ignore. On this vital issue, virtually every farm organization has adopted similar policies and this creates across boundaries one of the strongest links among them.

Adjustment problems in agriculture have, during the last few years, taken a new dimension with the spread of "contract farming." Because centralized management of the various phases of the food productive processes—all the way from the industrial supply of agricultural requisites to the retailing of precooked meals—makes for greater efficiency and higher profitability, hundreds of thousands of farmers in Europe as well as North America have become involved in gigantic economic operations over which they so far exert little or no control.

At the same time, the trend toward larger production units has introduced within the agricultural sector competitors which have little hesitation to jeopardize traditional farmers' markets and to manipulate them to their immediate advantage even at the risk of compounding an already precarious supply-demand position.

Concentration in the supply, processing, and marketing sectors, vertical integration and contract farming are progressing everywhere by leaps and bounds. The farmer when he does not realize in time the dangers of these transformations and does not work almost frantically to establish and strengthen producer-controlled cooperatives or bargaining organizations before nonfarm interests secure an entire control of this sector of activity is bound to become a helpless cog in the new agri-business complex. These spectacular developments have originated in this, the most advanced and capitalized economy in the world. But, they have become a major subject of preoccupation of farm organizations everywhere. Active consultations among them is an important current task in IFAP.

Even where the farmer succeeds—as a majority of them fortunately do—to safeguard his existence, freedom, and independence to become a member of a fair cooperative undertaking or to be associated in dignity with a contractual complex, present trends in agriculture demand a careful reconsideration of a number of traditional concepts.

The field where the farm operator is in a position to exert fully his initiative and freedom of choice tends to narrow year after

year. The management adviser and his linear programing virtually select his lines of production for him, the soil specialist tells him how to work and fertilize his land, the crop and livestock specialist tells him how to produce to best advantage, and the manager of the marketing cooperative finds an outlet for his products.

In these new circumstances the farmer can only remain an imaginative and intellectually active entrepreneur when he broadens his horizon and takes an active part in the formulation and implementation of farm organizations policies. This vital function of farmers associations is increasingly recognized and a subject of fruitful consultation among them.

Farmers have to struggle harder than ever to maintain a degree of influence in the management of public affairs. With the reduced influence which is the consequence of their declining numbers, they must learn to live in a society where major politico-economic decisions affecting their well-being will increasingly be taken by representatives of the urban people. Their organizations, therefore, have no more pressing task than that of projecting a true image of today's farmer.

It is not true that public opinion is spontaneously inimical to farmers' interests. On the contrary, there remains a fundamental appreciation in every urban dweller's conscience of the role of the food producer. But, that reserve of good will is being whittled away by unfair descriptions of the true conditions. Farmers are being denounced as responsible for rising costs of living even though their share of the consumer's dollars spent on food is steadily declining and the residual share in the overall expenditure for total private consumption has become almost negligible. They are being accused of pilfering the State treasury through subsidies and grants when these expenditures are only a fraction of huge State budgets and an inadequate redress for the way in which economic factors are stacked against the little man in a system largely controlled by large concentration of interests.

I understand that a congressional inquiry is underway which should throw light on these corners of the food economy where the real profits are made and I trust that it will be of as much interest to all farmers' organizations as was a few years ago the report issued by the Royal Canadian Commission investigating the same subject.

Many people are asking me whether the notion of an international brotherhood of agriculturalists is not deceptive. Are not farmers of the various countries primarily competitors? Conflicts of interests between them would seem to rule out a community of interests.

The little I have been able to say of the major facets of IFAP's work already indicate that there is a substantial community of interests among farmers in a number of the major fields of contemporary economic policy.

But farm leaders in IFAP do not shy away from a frank confrontation of those issues which may tend to divide them. It must be realized in the first place that individual farmers within a nation, still more than farmers of different countries, are competitors. This is the very foundation of a free economy. It has never precluded the successful and beneficial operation of farmers' unions. International competition per se is not therefore a factor which should rule out the possibility of active international cooperation.

International competition, to be sure, differs greatly from competition on a national market. The main difference consists in the fact that producers in different countries are included in very dissimilar economic environments and operating under completely distinct laws and policies. A situation which calls for a substantial degree of government control. But, we have seen that the operation of market forces at national level is universally government-controlled in the agricultural sectors. Similarly, there is an almost unanimous recognition nowadays of the need for a policy of orderly marketing at the international level. To that extent, national and international problems are not, therefore, different in nature and there is room for an international agricultural policy.

What, exactly, such a policy should be remains, of course, a matter of continuing debate. The important underlying prinicple, from farmers' standpoint, is that that debate must take fully into account all the factors which are recognized as relevant in the national context. It would obviously be inconsistent to apply a double standard to national and international policies. If a degree of price stability, acceptable farm incomes, smooth adjustment to changes, protection of the farmer against abuses of superior bargaining power by its economic partners, the imperatives of a rational town and country planning, and many other factors are relevant to the formulation of a national farm policy, these same factors cannot be deliberately ignored in evolving an international policy.

This is the crucial point on which all farmers' organizations are agreed. The following excerpt from the policy report of the last IFAP Conference puts it in a minimum number of words:

"It would be wrong to pass judgment on the merits of national farming policies by reference to an oversimplified concept of an international division of labor. But, a constructive approach demands that the validity of the principles on which each country bases its policy decisions must be constantly reassessed. Internationally, it is clear that regular examinations among countries of their national agricultural policies is necessary."

Farmers' organizations in IFAP are earnestly working in that direction. Assiduous and painstaking efforts are made by all to study and to understand the problems of the other national farming communities. As a result of these activities, I can confidently say that there is today a much greater degree of mutual understanding and good will among farm leaders the world over than in any period of history.

During recent months, however, we have witnessed a disquieting tendency, on the part of governments engaged in difficult and protracted trade negotiations, to enlist the support and to appeal to the loyalty and alleged self-interest of farmers' organizations who are pressed to give uncritical endorsement to rigid negotiating positions which often fail to recognize, as does IFAP policy, "the primary aim to seek, nationally and internationally, an improvement on the levels of income for agriculture so that they compare more favourably with those in other economic sectors." I do not believe that such tactics enhance the chances of a successful outcome of trade negotiations which are already reduced by the unfortunate tendency of press reports to describe the progress of these negotiations in terms which would be more appropriate for a world boxing championship.

In order to whittle away the efficiency of and, if possible, to destroy national farm policies, it is a time-honored practice for those interests which are not particularly amicable toward the farming industry to play upon the differing outlook of small and commercial farmers; of crop and livestock producers; of farmers in various States and areas. The same tactics may prove equally detrimental to the future of the world farming community as a whole.

In these circumstances it is all the more encouraging to see that U.S. farmers remain strongly united under the enlightened leadership of such international figures as your universally respected president, James G. Patton, and his successor to the presidency of IFAP, the Grange's national master, Herschel D. Newsom. One of the purposes of my visit to this convention was to bring you the message of good will of the farmers of the world who have learned so much from the pioneering developments achieved by U.S. farmers and who look forward to further progress in the direction of an even closer partnership among all of those who will remain engaged in the most noble calling on earth.

VIETNAM

Mr. MORSE. In today's issue of Newsweek, dated April 12, 1965, the incomparable Walter Lippmann really made my speech for today in opposition to the shocking American war and its continuation in Asia. He says in his article, entitled "Nearing the Brink in Vietnam":

While the American press is free to report and comment on Vietnam, our people are receiving very little official guidance and help in understanding the portentous events which are happening. Officially, we are being told that we are now involved in a war between two separate nations, North Vietnam and South Vietnam, and that our task is to put enough pressure on the North Vietnamese to make them cease and desist from taking part in the war at the other end of the country of Vietnam.

The official interpretation is one of those half-truths which can be grossly misleading. The half of the truth which we are being told is that North Vietnam is sending some men and officers, is helping to supply, and is probably directing the strategy of the civil war in South Vietnam. The half of the truth which is being neglected is that in a very large part of South Vietnam the resistance to the Viet Cong has collapsed.

Yet, it is the state of the war in South Vietnam which is of critical importance to the United States. It is on that above all that we need to fix our attention. For it is in South Vietnam that disaster impends, and it is the effort to forestall the disaster that brings us very near to becoming involved in a land war of great proportions. It is there that we are being pressed to engage several hundred thousand American troops and to face the prospect of at least a partial mobilization in this country to support and sustain those troops.

Under the heading, "Official Theory Versus Actual Events," Walter Lippmann continues:

The argument for making South Vietnam a second Korea is growing louder in the lobbies and corridors of Washington. The argument is being made because the official theory of the problem in South Vietnam has been confounded by events. The theory, which was propounded by Gen. Maxwell Taylor when he persuaded President Kennedy to enlarge our intervention, was that with enough arms, more money, and some American military advisers, the South Vietnamese could create an army able to subdue the Viet Cong rebellion. Until a year ago, more or less, this was the theory on which our excellent Secretary of Defense rested his hopes and his plans, and staked his reputation as a political prophet.

The theory has not worked. Our side has been losing steadily the control of the countryside. It has failed to win the allegiance of the peasants, who are not only the majority of the nation, but are the one and only source of military manpower. Today, the principal highways north and south, east and west, have been cut by the Viet

Cong, and the cities where our clients are holed up are being supplied by air and by sea. The South Vietnamese Army has not surrendered, but it has so little will to fight and has such a high rate of desertion that we can no longer count on South Vietnamese soldiers even to supply sentries for American air bases and installations.

The basic character of the war has changed radically since President Johnson inherited it from President Kennedy. It used to be a war of the South Vietnamese assisted by the Americans; it is now becoming an American war very inefficiently assisted by the South Vietnamese. In fact, it would not be much of an exaggeration to say that the South Vietnamese, who have good reason to be war-weary, are tending to sit on the sidelines while we, who have promised to "win" the war, are allowed to show how we can win it.

Under the heading "Numbers Not Enough," Lippmann continues:

For a time the warhawks in this country argued that a certain amount of bombing—a "clean" war in the air rather than a "dirty" war on the ground—would do the trick. But it has not done the trick. All wars, and particularly civil wars, are won or lost on the ground.

It is evident enough now that the South Vietnamese ground forces are unable and unwilling to fight the war effectively. They may have a superiority in numbers over the Vietcong of 5 to 1. That is not nearly enough in guerrilla wars where a ratio of 20 or 50 to 1 is not always enough. And so we are being confronted with two dismal prospects. The first is the landing of American soldiers for an interminable war on the ground against the inexhaustible masses on the Asian continent. The second prospect is the bombing of the populated cities in North Vietnam. This would bring down on us the opprobrium of almost all the world and also the risk that we would compel Russia and China to join in opposing us.

Having staked our prestige on the outcome of the civil war which is being lost in South Vietnam, we may find ourselves with a choice between the devil of defeat in South Vietnam and the deep blue sea of a much wider war in Eastern Asia. That choice could perhaps be avoided if we remember in time that when there is no military solution to a conflict, there must be negotiation to end it. In such a situation, only fools—

I repeat, only fools—

will go to the brink and over it.

ANTI-U.S. CHILL PERVADES RUSSIA

Mr. MORSE. Mr. President, I ask unanimous consent that an article by Drew Pearson which appeared in today's Washington Post, entitled "Anti-U.S. Chill Pervades Russia," be printed in the RECORD at this point.

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

[From the Washington Post, Apr. 5, 1965]

ANTI-U.S. CHILL PERVADES RUSSIA

(By Drew Pearson)

MOSCOW.—A week in Moscow gives you the definite impression that the United States and the Soviet Union may be on a collision course.

In terms of climate the snow is melting, the sun is out, the huge snow plows are being laid up for the winter, the more daring daffodils are poking their noses out from under the slush.

But politically the climate is the opposite. The freeze is on toward the United States and daily it is getting more frigid. With each bombing of North Vietnam, each statement justifying the use of gas, each photo of Vietnamese children burned by napalm, the situation gets worse.

This is my third trip to the Soviet Union in 4 years, and never before have I found criticism toward the United States so intense.

The first visit was in the summer of 1961 when the Berlin wall had just been built, Russian and American tanks were rumbling on both sides of the wall, President Kennedy had sent 50,000 extra troops to West Germany and Khrushchev had sent about twice this many to East Germany. A false step could have started war.

But the attitude of Soviet officials toward the United States was not as harshly critical as it is now.

SOVIET-UNITED STATES FRIENDSHIP

My second visit was in the summer of 1963 for a second interview with Khrushchev, this time shortly after the signing of the nuclear test ban treaty. The Russian people were then glowing with praise of the United States.

After that interview I took a sheaf of press cables to the Soviet telegraph office in Socchi to wire collect to New York. I expected a long wrestle with the cable officials—almost inevitable in an Eastern country when you haven't cleared your collect press privileges with the foreign office.

The lady in charge read the first cable regarding better relations between the United States of America and the U.S.S.R. and remarked: "Anything we can do to help peace I am for." She sent the cables collect, thereby trusting a strange capitalist newsman for about $300.

When I went to the only radio station in Socchi—Government owned—to make a transcription for use in the United States, the manager was glad to accommodate me. I asked the charge. "Nothing," he replied, "if you will make a broadcast about your visit to Socchi."

Today this would not and did not happen. Much of the good will built up by the test ban treaty, the friendship so carefully cultivated by exchanges of professors, students, scientists, and officials during the past 10 years, is out the window.

There are several reasons for this resumption of the cold war. The most overriding and important is the fact that the United States has embarrassed the Soviet with the Chinese over North Vietnamese bombing and coexistence.

For approximately 5 years the Chinese have been telling the Russians that coexistence would not work.

Today as a result of our bombing of North Vietnam, the Chinese have been really rubbing it in. With almost every bombing raid, they have been saying, "We told you so."

IS UNITED STATES A PAPER TIGER?

Before I left Washington, officials were arguing that the United States was doing the Russians a big favor by bombing North Vietnam, a policy that demonstrated we were not a paper tiger, that we were a force the Communist world had to reckon with.

It hasn't worked this way at all. There was never any thought in the Russian mind that the United States was a paper tiger. The entire Soviet structure knew—especially after the Cuban missile crisis—that we could not be pushed around when our own defenses were threatened.

But bombing a small country on the opposite side of the globe where American security is not involved, in defense of a nation that in the last year has had an average of one change of government per month, doesn't help the Russians demonstrate to the Chinese that we are no paper tiger.

It helps the Chinese demonstrate that we are aggressive bullies. As one Russian put it: "It's like a big boy at school smashing a small boy in the face. All the sympathy is for the small boy."

In the Kremlin there are powerful forces that never liked Khrushchev's pro-American policy now exerting their influence against the United States. It is this that makes the situation in Moscow so dangerous and could lead to a collision course with the United States.

Mr. MORSE. Drew Pearson has just come back from Russia. He gives an account in this article of the chill that pervades the Soviet Union vis-a-vis the war being conducted by the United States in South Vietnam.

Members of the Senate have heard me say for many months that we are headed for a massive war in Asia. I make the statement that we are galloping toward that massive war in Asia and that thousands upon thousands of American boys are going to be involved in the next 12 months if the course of action of this administration is not changed.

CANADA AND THE ASIAN CRISIS

Mr. MORSE. Mr. President, the press reports of Prime Minister Pearson's visit with the President recently left the impression that Mr. Pearson sought to express concern about events in Asia without actually doing anything about them. I regret that Canada has not seen fit to act under the United Nations Charter to bring about an end to the fighting in Vietnam, by bringing the matter to the attention of the Security Council of the General Assembly. Canada signed the charter. But Canada has no boys in South Vietnam. It is one thing for the Prime Minister of Canada to come to the United States and make certain suggestions to the President, but I most respectfully say to him that I believe that Canada has a clear obligation, as a signatory to the United Nations, to lay before the United Nations an official request that the United Nations take jurisdiction over this threat to the peace in Asia. Mr. Pearson's suggestion for a temporary pause in the air raids in the north seemed to be intended more for Canadian home consumption than for serious consideration in Washington. Nor does he seem to have pressed it seriously. Mr. Pearson has long been closely associated with the United Nations and is known as one of its greatest friends. It is that knowledge which he could now bring to bear on the Vietnamese problem, and I hope that he will find ways to do so.

There is nothing to prevent the Prime Minister of Canada from making a formal request for United Nations intervention in behalf of peace in the Asian crisis. It should be obvious to all that there is not the slightest chance of bilateral negotiations between the United States and North Vietnam.

We have reached the point where a third party force must be brought in to conduct the negotiations. Let me say to the Prime Minister of Canada that we

are going to have to count upon others in the world now—not partisans and the parties to the war—to use their good offices to bring to bear upon this crisis the existing procedures of international law for bringing about a conference table meeting whereby, with the nonparticipants sitting at the head of the table, and the partisans on both sides, an attempt will be made to save mankind from a holocaust which can develop quickly into a third world war.

Many people do not realize—although it was brought out by implication in Drew Pearson's column today—that what the United States is doing in North Vietnam is shooting fish in a barrel, killing people in a country which has no air defense and is almost helpless against air attack.

Is it not interesting that we cannot get out of the Pentagon, at the very moment I speak, any statistics on the number of civilians in North Vietnam who have been killed? Is it not interesting that we do not get into the United States the pictures of the killing by American planes in North Vietnam, but we can see them in foreign newspapers.

Of course, the fact is, we are not telling the American people the truth. There is no attempt to give the American people the full story of what is being done in North Vietnam by the United States.

Therefore, Mr. President, once again on the floor of the Senate I plead—as I shall continue to plead, as I pleaded last Friday night at the coliseum in Portland, Oreg., before over 5,000 fellow Americans, and I shall plead next week in a series of speeches across this land—that the American people recognize that only they can change the warmaking policies of this Government.

I say to the American people that they must rise up peacefully, through public opinion, to save the thousands and thousands of Americans who will otherwise die in an unjustifiable and unnecessary war. The American people must stop the administration from its substitution of jungle law and military might, this time practiced not by Russia but by the United States, instead of keeping faith with our ideals of substituting the procedures of international law at the conference table in an attempt to prevent the ever-increasing danger of a third world war starting in Asia.

ADDRESS BY JAMES G. PATTON AT PRESENTATION TO VICE PRESIDENT HUMPHREY OF AWARD FOR OUTSTANDING SERVICE TO AGRICULTURE

Mr. MONDALE. Mr. President, not long ago James G. Patton, president of the National Farmers Union, made an excellent speech in which he presented to the Honorable HUBERT H. HUMPHREY, Vice President of the United States, the 1965 award for outstanding service to agriculture. It is with pardonable pride that the State of Minnesota claims HUBERT H. HUMPHREY as its own; and, for this reason, I ask unanimous consent that Mr. Patton's speech be printed at this point in the CONGRESSIONAL RECORD.

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

HUBERT H. HUMPHREY AND FOOD FOR PEACE—THE EMERGENCE OF A MAN AND AN IDEA

(Statement by James G. Patton, president of National Farmers Union, in making 1965 Award for Outstanding Service to Agriculture to the Honorable HUBERT H. HUMPHREY, Vice President of the United States, Mar. 15, 1964)

The Biblical admonition to "feed the hungry" is as old as Christianity itself—it has stirred the hearts of countless men and women down through the centuries—among them the tillers of the soil and the keepers of the flock.

Food for peace is one of the great advances of human history, not because this generation of Americans created a new idea, but because this was the first generation which had the capacity as well as the desire to abolish want and hunger.

Tonight, we are honoring a man who has helped the Nation and the world understand its unique opportunity.

Year by year and session by session since he first came to the Senate, this man has pleaded with the Nation to understand how it could use food to help establish the climate for peace.

He has expounded—he has proposed—he has needled our conscience—he has chided us for our lack of Christian perception—but ever and always, he has pleaded with a complacent America to open up its heart.

We are sure that there are a hundred reasons why National Farmers Union should wish to honor Vice President HUBERT H. HUMPHREY.

American farmers will remember many things about HUBERT HUMPHREY.

They know him as a great friend and exponent of the family farm system.

They know him as an apostle of cooperation; as a defender of the farmer committee system; as a tower of strength for the REA program; as the originator and sponsor of scores and scores of significant farm bills in his 16 years in the Senate; as a foremost strategist and floor leader in the fight for many farm bills; as a tireless and persistent worker for better public understanding of agriculture.

Yes, farmers know very well how HUBERT HUMPHREY has responded to the needs of agriculture.

We hold him close to our hearts in Farmers Union—because of what he has done and what he has stood for.

Today, because National Farmers Union has always been motivated by the quest for peace and justice in the world—not only during and after World War I—not only during and after World War II—but during all the tense years of hot and cold wars since that time—we wish to honor him for his leadership in the evolution of the food-for-peace program.

"Without food and nourishment for the children of Asia, there can be no real peace in the world," HUBERT HUMPHREY said early in 1949.

In the great drama of world history, China had slipped into the Communist orbit. A new young Senator from Minnesota steps onto the stage, and within a few weeks of having arrived in Washington, is warning that India needs food.

India was in fact desperately seeking food. It was seeking to barter mica, manganese and other raw materials for a million tons of wheat. The negotiations broke down.

The leaders of India proposed the purchase of wheat on long-term credits. Again no agreement was reached.

Early in 1950, Senator HUMPHREY appealed on the Senate floor: "What is the most important problem of the Government of India today? It is food. Who has the food? We ought to get down on our hands and knees and pray to God to forgive us our sins—for here on the eastern coast of our land are Liberty ships—10,000-ton freighters loaded with wheat which the Commodity Credit Corporation has purchased.

"The wheat is stored up while over there you have people who are dying of hunger, with the Communists on top of them, with their government almost tottering. What are we doing? We are sitting around saying we cannot get along with Pakistan, or with this country or with some other country."

By August 1950, conditions had grown worse in India and HUMPHREY proposed an immediate opening of negotiations to make 60 million bushels of wheat available for famine relief.

"Here would be a grand gesture of goodwill and basic humanitarianism, a firm cementing tie between our nations, and one of the most significant steps we could take for the preservation of world peace and democracy," HUMPHREY said. He conferred with the Secretary of State and his staff to try to pave the way for an agreement.

"This would be good foreign policy, it would be a good neighbor policy, it would be sound and prudent policy to make available to this great country some of the foodstuffs which we have in our warehouses at the present moment."

Later in the same year, Senator HUMPHREY sought to rally support for the Javits resolution to extend food assistance to India. But, the effort was destined to continue well into 1951 and reach a conclusion only after Soviet Russia had delivered 50,000 tons of wheat to India and China had offered rice.

Senator Smith of New Jersey sponsored an emergency food aid bill for India, and in speaking for the bill, Senator HUMPHREY said:

"I am appealing today that the great American Nation answer those basic needs before it is too late. What India is asking is not 300 tanks. She is not asking for arms aid. She is not asking for money to develop atomic energy plants. What she is asking for is something we have in abundance. We do not have to recruit a whole new group of laborers to produce what India needs. We have millions of bushels of wheat that India needs. We have it in storage.

"This is only to remind ourselves again that food is a weapon in the arsenal of democracy and that particularly it is an effective weapon where people are hungry. We have an arsenal of democracy filled with food."

The Smith bill was approved and became Public Law 48 of the 82d Congress.

Early in 1953, Senator HUMPHREY and Senator Murray joined with others in a resolution to create an international food reserve.

At about the same time a new crisis was arising in Pakistan where the Government had collapsed largely because it was unable to cope with the famine. Senator HUMPHREY conferred with the Secretaries of State and Agriculture and the Mutual Security Administrator about using our food surpluses to help the new Government meet the food crisis.

Senator HUMPHREY introduced a wheat for Pakistan bill in April 1953, and shortly thereafter an administration bill was introduced and quickly approved to send a million tons of wheat to Pakistan.

The need to legislate in each crisis—and to risk serious delays—led Senator HUMPHREY to seek legislation which would permit the Government to move more swiftly in using surplus foods in famine relief.

Senator HUMPHREY sought an amendment in July 1953, to the mutual security bill broadening the power of the Administrator to use surplus foods in foreign aid programs.

He urged that the President be given legislative authority to donate commodities, to sell at world prices, to sell at concessional prices, to sell on long-term credits, to sell for soft currencies, and to trade for strategic materials.

Senator HUMPHREY considered this amendment a stopgap measure and began looking beyond it immediately to special legislation to make more effective use of the abundance farmers are capable of producing.

Speaking in December 1953, he said: "We need policies which will enable the farmer to see his food used wisely, rather than wasted, to see the output of his land, his toil make its utmost contribution to stamping out hunger and deprivation at home and abroad, and serving as the humanitarian arm of the Nation's foreign policy, in our efforts to create a better and more peaceful world."

Several bills were introduced in 1954 and an administration bill was adopted and became Public Law 480.

It was a 1-year program, considerably narrower in scope than the Humphrey bill and slanted more toward surplus disposal than to foreign economic development assistance.

But, it was a start and it was subsequently extended for 2 years.

In 1957, HUMPHREY sought a 2-year extension with a total of $3 billion in authorizations.

"By sharing our blessing of food abundance with the people who seek to break away from tyranny, we can make American food the 'yeast of freedom' which can expand and strengthen the movement to freedom and independence. We take a calculated risk, but all we have to lose is the food itself," he said.

In early 1957, as our delegate to the United Nations General Assembly, HUMPHREY proposed a plan for international cooperation toward the establishment of a world food reserve.

"It would seem only logical if some of the world's surplus holdings were used to bolster stocks in areas where people live on the brink of disaster from one harvest to another," he told the U.N.

In August 1957, Senator HUMPHREY noted that "in time of war, we recognized the importance of food and fiber. We created a War Food Administrator to mobilize our food resources for victory. Today, in the time of a shaky and uncertain peace in the world, it is time to think about a similar role for a special Peace Food Administrator to guide more effective use of our food resources for another victory. It is even more important to use our food abundance as a constructive force for peace."

HUMPHREY envisioned that the Peace Food Administrator would coordinate the various functions relating to food distribution scattered among agencies in the Departments of State, Commerce, Agriculture, Defense, the Bureau of the Budget, the ICA, and the ODM.

"I would like to see America have a policy of setting aside a food reserve for humanity, as an arsenal for peace—to set aside, let us say, a billion bushels of wheat, and to announce to the world that never again will famine destroy peoples and nations. Why not? This country will never go bankrupt by sharing. One year's defense budget would pay for 10 years of this food-for-peace activity. Our task is to wage peace."

Speaking to our National Farmers Union convention in nearby Springfield, Ill., in March 1959, Senator HUMPHREY outlined the terms of the comprehensive, 5-year International Food for Peace Act, which he was to introduce 3 months later.

He told us at Springfield that the challenge of world conditions, "can best be met by proving that we really care about people, at home or abroad, and care about progress—and most of all about peace with justice. We must seek constantly to express the American dedication to people, peace, and progress throughout the world—not only in words of peace, but in works of peace.

"A breakthrough in the conquest of hunger could be more significant in the cold war than the conquest of outer space. Thanks to you farm people, and others like you, the United States is today in a far better position than Russia to lead the world toward the conquest of hunger and want."

In 1961 President John F. Kennedy, as one of his first acts in office, established the office of the Food for Peace Director in the White House and instructed his appointee to exercise affirmative leadership in the program.

In 1961 Senator HUMPHREY's amendment to the Foreign Assistance Act declared it to be the policy of the U.S. Government to encourage and assist in the development of cooperatives.

HUMPHREY was a cosponsor of a resolution for a World Food Congress, and when it was held in Washington in 1963, he viewed it as a new advance—a beginning of a worldwide effort in the war against hunger. Fifty nations pledged $100 million to the first phase of the world food program. HUMPHREY noted that from the Hot Springs conference in 1943, "it took 10 years for action to be initiated and it took nearly 20 years for this philosophy to become the consensus of world opinion."

Only a month ago, Vice President HUMPHREY said that food for peace and the Peace Corps, side by side are a powerful team in our foreign policy. But he insisted, food for peace must be strengthened.

"Food for peace is more than a farm program—it is a foreign policy program. It is one of the most imaginative things ever created. Through food for peace we are reaching 100 million persons, but we have only scratched the surface."

Again in a recent address, he declared: "In a real sense, what we need to understand is that agriculture is in the forefront of the struggle for a better world. It is not a laggard; it is not a burden; it is not what is holding America back. It is what's putting America ahead."

This is the measure of the man whom we honor today—a great friend of agriculture—one of the great statesmen of the world today—and a beloved coworker in the race for peace.

I am pleased on behalf of the membership of the National Farmers Union to confer our 1965 Award for Outstanding Service to Agriculture to the Honorable HUBERT H. HUMPHREY, Vice President of the United States.

Our congratulations, Mr. Vice President, God bless you in the days ahead.

THE VOTING RIGHTS BILL

Mr. MONDALE. Mr. President, I am most honored to be listed as a cosponsor of S. 1564, the Voting Rights Act of 1965. I believe that it is absolutely necessary that this Congress act promptly and decisively to guarantee to all Americans the true enjoyment of their God-given, human, and constitutional rights. I am supported in this position by an overwhelming majority of the citizens of the State of Minnesota. As but one indication of their support for my position and the position of President Lyndon B. Johnson, I ask unanimous consent that an editorial from the Minneapolis Spokesman of March 18, 1965, be reprinted at this point in the RECORD. Cecil E. Newman, editor of the Minneapolis Spokesman, wrote the editorial; and I think he is to be commended for that and for his lifelong dedication to the cause of equal rights for all. I am proud to have this opportunity to bring to the attention of the Congress of the United States his dedication and the dedication of all our Minnesotans to these principles.

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

A PRESIDENT'S FINEST HOUR

Monday night the President of the United States, Lyndon Baines Johnson of Texas, made perhaps the greatest speech a Chief Executive of this great Nation ever made, on the unresolved right of the Negro to full voting rights in this country—rights which are guaranteed by the Constitution and Bill of Rights.

No other President speaking to Congress and the American people has ever before so honestly, unequivocally, and courageously laid the issue so squarely and fully on the line—for all to see and heed.

Pulling no punches, Mr. Johnson placed the violation of the rights of the Negro to the ballot, the accepted practice in a number of States, right out where the whole world could see it. And in doing so, he arrayed himself and the power of his office definitely on the side of the Negroes who have been denied the right to vote by intimidation, murder, beatings, economic reprisals, and trick tests set up and designed by State legislatures and vote registrars for the sole purpose of keeping the Negro disfranchised.

There was no compromise in the southern accent and voice of a southern born President who, although admittedly proud of the region of his birth, recognizing its strengths and weaknesses, was prepared to disregard all except the rights which he said all Americans must enjoy equally, if this Nation was to live up to its great promise and national law.

In President Johnson's message there was not a word of comfort to the Wallaces, the Eastlands, the Ervins, the Ellenders, the Stennises, the Smathers of his own party or the Strom Thurmonds of the Republican Party. Most of this crowd sat on its collective hands as other Members of the Congress, the judiciary, the Cabinet, and the gallery arose spontaneously to its feet to applaud when President Johnson praised the Negro for his struggle to get the United States in line with the aims and promises of its Constitution.

In commenting on the long struggle for human rights in this Nation he told the people of the Nation that, "The real hero of this struggle is the American Negro." As true as this statement is, no President before Johnson had ever so frankly and forcibly reminded the country of the Negro's magnificent courage under extreme adversity, and those auditors who were touched by the magnificance truth, and courage of his statement could not help but stand and applaud.

We doubt that in the years ahead Lyndon Baines Johnson will ever have a finer hour than he had Monday night. His "we shall overcome," was also a tribute to those brave Negroes and whites who have led and marched in behalf of freedom and justice, now. He accepted the genuine applause with a sober dignity that reminded one of the long hard road still ahead.

We felt rather proud of being an American Monday night despite our obvious continued concern against the injustice which is practiced against our Negro people, as President Johnson pointed out in all 50 of our States. Our pride was based on what we believe is the ability of this Nation and its people "when the chips are down" to make a final determination based on truth and justice. This has happened all through the

history of this Nation and the time has come for it to happen in the instance of the American Negro—for no force as President Johnson said, "can keep back the tide of freedom and justice."

He asked the Congress to pass as soon as possible a voting rights bill which would insure the right to vote of every American citizen who can write his name, in all elections; local, State, and National. If such legislation is passed, and it must be enacted, the final barriers to full citizenship will have been pushed aside to allow every qualified American man and woman of voting age to participate in the selection of public officials. This will greatly affect the peace, harmony, and unity of the country which has long been divided by the denial of constitutional rights, to part of the country's citizenry.

The Nation owes a debt of gratitude to President Johnson and the aroused public opinion which convinced him that he had to take a strong position and promised him the support which made his Monday night speech such a great document of true statesmanship.—CECIL NEWMAN.

VOTER COMPLAINTS ABOUT MISLEADING PACKAGING

Mr. MONDALE. Mr. President, I am a cosponsor of S. 985, the truth-in-packaging bill. I have received many letters supporting this proposed legislation. Typical of all that I have received is a series of correspondence relating to the deceptive use of "cents-off" allowances. I ask unanimous consent that these letters be printed at this point in the CONGRESSIONAL RECORD; and, in particular, I call attention to the letter from a leading food retailer in St. Paul, Minn., in which it is stated that many of the coffee companies come out with deal packs on coffee anywhere from 8 cents to 10 cents to 15 cents to 17 cents a can off. These do not reflect any difference in the cost. This is done by regulating the promotional allowance to the retailer, so that the cost of the 8-cent-off pack comes to the same price as the 17 cents one. This is a source of much concern to all ethical and honest retailers and businessmen; and I call it to the attention of the Congress of the United States.

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

ST. PAUL, MINN.,
March 4, 1965.

Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MONDALE: Thank you for your prompt reply to my letter of February 22.

I certainly have no objection to your reprinting in the CONGRESSIONAL RECORD the entire file I sent you, and can only hope it will focus the attention of others on the deceitful practices you are trying to combat.

Further, I enclose a reply I received from the Folger Coffee Co. In his third paragraph, Mr. Paulsen does not mention the regulating of promotional allowances which Mr. Sidney Applebaum calls attention to, and which naturally affects the dealer's price.

I realize the pressure on today's manufacturer to increase his business, but certainly there are other avenues than shady and misleading promotions such as we seem to have here.

My best wishes, Senator, for your success.

Sincerely,

MARY L. URBAN
Mrs. Mary L. Urban.

ST. PAUL, MINN.,
February 22, 1965.

Senator WALTER F. MONDALE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MONDALE: I heartily endorse your action in cosponsoring the truth-in-packaging bill, described in the February 11, 1965, issue of the Minnesota Union Advocate, copy herewith.

As you can see by the enclosed file, I have done some investigating myself. It appears that the manufacturer is using misleading merchandising to encourage the purchase of his coffee, and if one is not alert at the checkout counter, she may not realize she is not getting the cents off.

I've noticed many other such practices of late, and feel if manufacturers won't be honest and factual about package contents and labeling, then legislation is definitely needed.

Senator, I congratulate you on your forceful beginning in the Senate, and I consider us fortunate to have you represent our views in Washington.

Sincerely yours,

Mrs. MARY L. URBAN.

[From the St. Paul (Minn.) Union Advocate, Feb. 11, 1965]

TRUTH-IN-PACKAGING BILL: MONDALE PROPOSAL STRIKES BLOW AGAINST SALES DEFICIT

Senator WALTER F. MONDALE this week cosponsored a truth-in-packaging bill aimed at eliminating practices which confuse and deceive consumers.

The Minnesota Senator joined Senator PHILIP HART, of Michigan, in supporting legislation which would direct the Food and Drug Administration and the Federal Trade Commission to promulgate regulations that will require packages accurately and clearly to give essential product information and fairly represent the contents.

Both MONDALE and HART have established national reputations for their efforts in behalf of consumer protection.

"Today's housewife," MONDALE noted, "is confronted with some 7,000 to 8,000 different items in the average supermarket and must choose between them on the basis of the packages they are in.

"Too often, these packages and the messages on them are either confusing or downright deceiving; thus there is a real need for laws which will require that packages contain sufficient meaningful information to allow the buyer to make a rational choice between competing products."

Among the devices the bill would prohibit would be phony "cents-off" deals. For example, a package which says "8 cents off," but doesn't say off what.

The bill also would prohibit deceptive illustrations on packages. For example, a picture of a pie full of ripe, red cherries when in fact there isn't a single cherry in the pie inside.

Also prohibited would be packages designed to deceive the consumer as to quantity. For example, the use of a 6-inch piece of cardboard in a package containing a 4-inch candy bar.

The bill also would authorize the standardization of weights and measures under certain conditions so that the housewife would not have to take a calculating machine shopping with her in order to determine whether the best buy is 17 ounces for 30 cents, 22 ounces for 35 cents, or 27 ounces for 40 cents.

ST. PAUL, MINN.,
February 3, 1965.

BETTER BUSINESS BUREAU OF ST. PAUL, INC.,
Garrick Building,
St. Paul, Minn.

GENTLEMEN: Several weeks ago I called your office to report what I feel is an irregular procedure in the grocery department of Target Stores, Inc., 1515 West County Road B. At that time I was told to file a letter of complaint if the incident was repeated.

That week I had purchased a 3-pound can of Folger's regular grind coffee, on which the manufacturer had printed, "15 cents off the regular price." However, the price stamped on the bottom of the can was $2.29, which is the regular price without discount. The cashier would not allow the 15-cent discount, so I asked for the manager, who said, "We don't take it off."

Again last week I purchased a 3-pound can of Folger's with the same imprint, with approximately the same sequence of events, except that another cashier testily assured me that "Folger's is a more expensive coffee," and the manager stated that $2.29 marked included the discount.

I bought the coffee, but sent my husband back to the coffee shelf, where other cans of Folger's without the "15-cent off" label were marked $2.29. I could have pursued this further with the manager and undoubtedly obtained the 15-cent discount. However, I believe a shady practice such as this should be stopped, and the manufacturer made aware that this merchandising is being used for the benefit of the store, not of the buying public.

On both occasions mentioned, I purchased other items with cents off imprints, and in all these cases, the store-stamped amount was legitimately priced. In other words, I believe some coffee is being sold at an excessive profit while cheaper brands are used as leaders.

If you need further details, you may reach me at work during the day at 733–0149, or at home evenings, MI 5–4037.

Thank you for your anticipated cooperation.

Yours very truly,

Mrs. RAY URBAN.

ST. PAUL, MINN.,
February 12, 1965.

MERCHANDISING MANAGER,
FOLGER COFFEE CO.,
San Francisco, Calif.

SIR: Recently I have been in disagreement with the manager of a local discount supermarket over his refusal to allow the discount of "15 cents off" banded on a 3-pound can of Folger's coffee, which has been selling regularly for $2.29 at his store. The price is the same, with or without the band. After two attempts to obtain the 15 cents off, I wrote a letter to our local Better Business Bureau, complaining of his procedure.

Better Business sent a copy of the letter to the headquarters of the discount store, and a gentleman called me to explain why the discount is not allowed. He claimed they pay the same case price for the banded coffee as the other, and that a complicated distributor pricing schedule makes it difficult for them to know exactly what to charge for each new order of coffee they receive.

At another supermarket this week, I checked Folger coffee prices. Their 3-pound can price with "15 cents off" band (also not allowed) was $2.39, or almost 80 cents per pound. However, the 2-pound can without the band was $1.39, or only 70 cents per pound. It would appear that the "15 cents off" is a signal for increasing rather than decreasing the price, and that on a descending scale we could buy a quarter-pound for a few pennies.

I have also obtained coffee-pricing figures from an independent grocer in this area.

I realize that you do not directly set retail coffee prices, but indirectly you do, by creating confusion and indignation on the part of retailers and consumers with your misleading merchandising and vacillating wholesale prices.

I take issue with this kind of merchandising, which does not benefit the consumer, but is completely false. It is practices such

as this which undoubtedly has caused the U.S. Government to begin taking a hard look at labeling of products.

Your comments on the preceding facts will be greatly appreciated.

Yours very truly,

MRS. MARY L. URBAN.

APPLEBAUM'S FOOD MARKETS, INC.,
St. Paul, Minn., February 17, 1965.

BETTER BUSINESS BUREAU OF ST. PAUL, INC.,
Garrick Building, Sixth and St. Peter Streets, Saint Paul, Minn.

DEAR SIR: In response to your letter of February 3, I am in receipt of the letter that Mrs. Ray Urban sent you and I have taken the liberty of calling her and explaining to her our position on this matter. I will admit that it is confusing and we, as retailers, have been trying to eliminate this problem for some time. This is not only a problem with our stores, but with the entire grocery industry.

In short, many of the coffee companies come out with deal packs on coffee anywhere from 8 cents to 10 cents to 15 cents to 17 cents a can off. Now it is hard to believe that each of these cost the same. They do this by regulating the promotional allowances so that the cost of the 8 cents off one comes to the same price as the 17 cent one. I tried to explain to Mrs. Urban the problem and I believe she understands it and she also fully appreciates the problem, but admits that it is still confusing.

I do hope that no further occurrence like this happens again and I would like you to know that we have been in business a long time and feel we have not built our reputation by trying to take advantage of any of our customers.

Very truly yours,

APPLEBAUM'S FOOD MARKETS, INC.,
SIDNEY APPLEBAUM.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

AMENDMENT TO FOREIGN AGENTS REGISTRATION ACT OF 1938, AS AMENDED

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 133, Senate bill 693, to amend the Foreign Agents Registration Act of 1938, as amended, and that it be made the unfinished business.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 693) to amend the Foreign Agents Registration Act of 1938, as amended.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Foreign Relations with amendments on page 2, line 16, after the word "employee", to strike out "servant or" and insert "or servant, or any person who acts"; in line 18, after the word "or", to strike out "control" of and insert "control, of"; in line 20, after the word "controlled", to strike out "financed or" and insert "financed, or"; on page 4, line 6, after the word "activities", to strike out "includes" and insert "means"; in line 10, after the word "any", where it appears the second time, to strike out "other person" and insert "agency or official of the Government of the United States"; in line 13, after the word "to", to insert "formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to"; in line 16, after the word "foreign", to strike out "country, or" and insert "country or"; in line 17, after the word "party", to strike out "or with reference to the domestic or foreign policies of the United States"; in line 19, after the word "any", to strike out "person, including, without limitation, and economic, legal or other consultant," and insert "person"; in line 22, after the word "any", to insert "other"; in the same line, after the word "to", to insert "the domestic or foreign policies of the United States or"; in line 24, after the word "interests", to strike out "policies or" and insert "policies, or"; on page 5, line 1, after the word "party", to strike out "or with reference to the domestic or foreign policies of the United States"; in line 17, after the word "by", to insert "striking out the comma following the word 'each' where it first appears, and the following: 'unless, and to the extent, this requirement is waived in writing by the Attorney General'; and by"; in line 21, after the word "end", to strike out "thereof" and insert "of the subsection"; on page 7, after line 21, to strike out:

(f) The Attorney General may, by regulation, provide for the exemption from registration, or from the requirement of furnishing any of the information required by this section, of any person who is listed as a partner, officer, director, or employee in the registration statement filed by an agent of a foreign principal under this Act, where by reason of the nature of the functions or activities of such person the Attorney General having due regard for the national security and the public interest determines that such registration, or the furnishing of such information, is not necessary to carry out the purposes of this Act.

And, in lieu thereof, to insert:

(f) The Attorney General may, by regulation, provide for the exemption—

(1) from registration, or from the requirement of furnishing any of the information required by this section, of any person who is listed as a partner, officer, director, or employee in the registration statement filed by an agent of a foreign principal under this Act, and

(2) from the requirement of furnishing any of the information required by this section of any agent of a foreign principal,

where by reason of the nature of the functions or activities of such person the Attorney General, having due regard for the national security and the public interest, determines that such registration, or the furnishing of such information, as the case may be, is not necessary to carry out the purposes of this Act.

At the top of page 9, to strike out:

SEC. 3. Section 3(d) of such Act is amended by striking out the words "financial or mercantile" and by inserting after the words "foreign principal" the words "or other activities not serving predominantly a foreign interest".

And, in lieu thereof, to insert:

SEC. 3. (a) Section 3(d) of such Act is amended to read as follows:

"(d) Any person engaging or agreeing to engage only (1) in private and nonpolitical activities in furtherance of the bona fide trade or commerce of such foreign principal; or (2) in other activities not serving predominantly a foreign interest; or (3) in the soliciting or collecting of funds and contributions within the United States to be used only for medical aid and assistance, or for food and clothing to relieve human suffering, if such solicitation or collection of funds and contributions is in accordance with and subject to the provisions of the Act of November 4, 1939, as amended (54 Stat. 4), and such rules and regulations as may be prescribed thereunder;".

(b) Section 3 of such Act is further amended by substituting a semicolon for the period at the end of subsection (f) and adding a new subsection as follows:

"(g) Any attorney whose activities are confined to openly representing, as an attorney of record, the interests of a disclosed foreign principal before any court or administrative agency of the United States, or of any State or political subdivision thereof.

And, on page 10, at the beginning of line 13, to strike out words "send to the Librarian of Congress two copies thereof" and insert words "for or in the interests of such foreign principal".

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may speak out of order for 2 minutes.

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

THE "NEW DIPLOMACY"

Mr. MANSFIELD. Mr. President, the four R's of international relations, reason, respect, reciprocity, and regard have frequently, in the past, been the missing factors in our relations with our neighbors. Squabbling among nations with common borders is nothing new in history. The fact is that amiability and good feelings between closely neighboring nations is somewhat of a rarity—but it is a rarity that has been more and more characteristic of Mexican-United States relations. The underlying causes are that reason, respect, reciprocity, and regard have prevailed for many years on both sides of the border, and among the leadership of both countries.

Problems between our two countries still exist, but none is so important or so immediate as to threaten deterioration. Last week's announcement of a mutually satisfactory settlement of the Colorado River salinity problems followed by only a year or so the El Chamizal Treaty which transferred 437 disputed acres in El Paso, Tex., to Mexico. Such an agreement was not feasible only a few short years ago. This is truly a new diplomacy—a new diplomacy which, if applied among relations of nations in other parts of the world, would aid immeasurably in bringing about a new era of reason in international affairs. Such a goal may challenge our patience and our ingenuity, but the results make any effort worthwhile, no matter how demanding, as is evident from the present state of Mexican-American relations.

Mr. President, I ask unanimous consent to have printed in the RECORD an editorial which was published in the New York Times on April 3, 1965, entitled "The New Diplomacy."

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

THE NEW DIPLOMACY

The happy relations between the United States and Mexico have been strengthened by a triumph of what Mexicans hail as the "new diplomacy."

The "new diplomacy" was initiated by the settlement last year of the century-old Chamizal dispute, which former President López Mateos characterized as the most important achievement of his administration. Now his successor, President Díaz Ordaz, starts his administration under equally auspicious circumstances with an agreement with the United States to control the salinity of the Colorado River water that has been damaging Mexican crops.

Both agreements were made possible by American concessions. Under the Chamizal agreement the United States turned over to Mexico 437 disputed acres in El Paso, Tex. Under the new agreement the United States undertakes to build a $5 million extension of an existing drainage canal to divert the salt-polluted water from the Arizona irrigation district in order to avert further corrosion of the land and crops of the Mexicali Valley.

Mexico is one of the most stable and fastest growing of the Latin-American countries. Its greatest problem, politically, economically and socially, is agriculture. The Colorado River agreement should contribute toward a solution of at least part of that problem.

RELIGIOUS COMMUNITY CONCERN OVER THE WELFARE CRISIS IN WASHINGTON, D.C.

Mr. PROXMIRE. Mr. President, on Monday evening of last week, March 29, 500 persons attended a meeting in the new Senate Office Building auditorium.

They came to register their strong conviction on the aid to dependent children program in the District of Columbia. The meeting was sponsored by the religious community of Washington. This size turnout simply to hear an expression of conscience is a remarkable testament to the depth of feeling in Washington on aid to dependent children.

I have a statement, which expresses the concern at that meeting of the religious community of Washington, D.C., over the welfare crisis in the Nation's Capital. Although it deals explicitly with the need for aid to dependent children, it deals also with other welfare programs. I ask unanimous consent that the statement be printed in the RECORD at this point.

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

THE CONCERN OF THE RELIGIOUS COMMUNITY OF WASHINGTON, D.C., OVER THE WELFARE CRISIS IN OUR NATION'S CAPITAL

1. In the Book of Deuteronomy, it is written "you shall not harden your heart or shut your hand against your poor brother, but you shall open your hand to him, and lend him sufficient for his need, whatever it may be." In the Gospel according to Matthew, Jesus challenged his disciples to feed the hungry, give drink to the thirsty, clothe the naked, visit the sick and imprisoned, and to show friendliness to the stranger. On the foundation of these teachings, we express concern for those in need of public assistance in Washington, D.C.

2. Our primary purpose is to encourage the eradication of poverty and the social, economic, and political conditions out of which it arises. At the same time, however, we are concerned about those in our community who are now caught up in poverty. It is our contention that our public welfare programs should enhance a sense of dignity and self-respect among the needy, thereby motivating and assisting them in their efforts to achieve independent status.

3. Our investigation of factual data concerning public assistance in the District of Columbia suggests that, in many cases, the opposite result is being obtained. For example, the failure to make available to our people the benefits of the Federal program of Aid to Dependent Children of Unemployed Parents is resulting in the breakup of many families and in the placement of the children involved in institutions, with a resultant increase in costs to the community.

Furthermore, inadequate food benefits, based on 1957 Department of Agriculture estimates of food costs, and insufficient shelter allowances, based on rental costs in 1953, make both individual and family survival on public assistance in 1965 most difficult. The high cost of housing compels many clients to use for rent some of the money allowed for food. Thus, instead of opening the door of opportunity and hope for the needy, the impact of our present public assistance program in many cases is to decrease their capacity to care for themselves at a time when they need help the most.

In addition, inadequate board rates to foster parents have resulted in an undersupply of foster homes at the very time we have an oversupply of children eligible for foster care.

4. As religiously committed people we are concerned with the false economy which tends to govern our public welfare program in the District of Columbia. For example, the cost of keeping a child in Junior Village approximates $250 per month. On the other hand, the average expenditure for foster care per child approximates $70. For the care of a child in his own home, the monthly allotment approximates $33.

We are also distressed by the fact that our present allowances, instead of increasing self-sufficiency, tend to increase dependency among the needy. In the midst of a national war on poverty, our public assistance program tends to create poverty.

Furthermore, we question the validity of adding personnel to the Investigation and Collections Unit in view of the greater need for additional social workers to assist in the rehabilitation of the clients.

5. With these facts and situations before us, we reaffirm our desire that our public welfare program be redesigned so as to provide more adequately for the food, shelter, and other basic requirements of the needy. We challenge all those involved in the establishment and maintenance of our public welfare program to provide those resources required to restore the needy, the handicapped, and the sick to dignified, healthy, and independent living.

To this end, we call upon the Congress of the United States, and its appropriate committees and subcommittees to take action that will make available to residents of the District of Columbia who have need thereof—

1. The provisions of the federally supported program of aid to dependent children of unemployed parents.

2. An increase in living allowances (food, shelter, etc.) so as to reflect the 1965 costs thereof;

3. An increase in foster care allotments so as to increase the number of foster homes, and the establishment of a Foster Home Care Unit to assist the foster child, his parents, and the foster parents in their relationships with each other to the end that the child might return as soon as possible to the home of his parents;

4. A comprehensive and adequate day care program for public assistance and other low income families;

5. An additional intake service unit to provide immediate assistance in locating housing, medical care, and other resources;

6. Additional counselors at the Receiving Home, Cedar Knoll, and Maple Glen;

7. Additional special staff and administrative staff for the mentally retarded at the Children's Center; and

8. Emergency aid to provide assistance for persons who have special needs during their certification period.

In conclusion, we call attention to the fact that the highest form of assistance is that which makes it possible for the needy to achieve independence. A welfare program which handicaps or thwarts such efforts is not adequate. We find this to be the case with the public assistance program of the District of Columbia. We urge all citizens to join us in the effort to provide a welfare system which does not rob a client of his dignity, but which assures him of our concern for his well-being.

Mr. PROXMIRE. Mr. President, at that meeting the distinguished senior Senator from Texas [Mr. YARBOROUGH] made a very cogent, compassionate, and persuasive address, concerning the importance of giving the most earnest consideration to the subject of providing a program of aid to dependent children this year.

I ask unanimous consent that the Senator's brief speech on this subject be printed in the RECORD at this point.

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

Members of the District of Columbia Council of Churches, and distinguished guests, before directing our attention to the problem of giving aid to dependent children of unemployed parents, I think it only proper to explore briefly the framework in which welfare is operating today.

Anytime a welfare or assistance program is being contemplated, it is obvious that there is a serious problem in our society which we are trying to overcome. Hence, when we think in terms of welfare, whether it be aid to dependent children or unemployment compensation, we are actually talking about a defeat, or a chink in the wall of the Great Society.

When we deal with these problems, two alternatives face us: The first approach, and by far the most undesirable, is a temporary stop-gap program which might be effective in a crisis, but rarely alleviates any deep-seated problem.

Through many years of experience in this area, our Nation has found that some alternative must be found to merely temporarily assisting those who need welfare programs. Hence, we evolve from a system of unemployment compensation to a program of retraining, Job Corps, and educational opportunities—all of these are programs which are designed to strike at the roots of unemployment, and not just temporarily offset the problems of a man who cannot find a job.

So, we come to the second approach of welfare, the remedial approach, which seeks to avoid the constantly growing problems which face our Nation. I think that there is no doubt that the latter approach to welfare

is the preferable one by far, when it can be applied.

So, now we come to the problem of a family which has an employable parent, in fact, yet when the realities are presented he is unable to secure a job so that he can support his children. When Congress passed legislation in 1962 to extend the welfare program to children whose parents are unemployed, we were not merely providing a method whereby a family could continue to exist even though they could not find supporting employment, but rather it did have a very definite element of prevention, of remedying this difficult situation.

To assist a family in times of difficulty is not to place them on welfare payments for the remainder of the life of the family unit. Rather, in keeping the family together we avoid the probability that the dependent child will later on swell the already bursting seams of Junior Village, or we give him the chance in life to escape the perils of becoming a juvenile delinquent—and the public expense required later on to rehabilitate or even more unpleasant, incarcerate him.

By keeping the family unit together, we avert the inevitable consequences of a school-dropout which may have the effect of carrying the problems we are now facing into another generation when his children again become dependent upon an unemployed father.

When we consider the problems of aid to dependent children of unemployed parents, we are not only talking about the temporary difficulties of their existence, but we are speaking about avoiding the millions of pitfalls which may be passed on for generations to come—for one thing that poverty teaches us is that if it continues to exist, it nurtures the succeeding generation to be doomed to a life of poverty.

And, the second fact that experience is good at driving home—and I hope that it will not be too late in this case—is that scrimping on giving unfortunate families a break in life now means resultant increases in costs to the community later. Payments under this program even now are a fraction of the cost which it will take to care for a child in Junior Village, or later in a more confining institution.

It is essential that the District of Columbia be allowed the chance to share in a program that Congress has endorsed for all the Nation. Indeed, it doesn't taken an extremely sophisticated analysis to conclude that it is inconsistent to tell all the Nation that the Federal Government will be most happy to provide matching grants of aid to dependent children of unemployed parents, provided there is a local program, and then turn to the District of Columbia and say "of course, we haven't provided you with a local program yet."

To me, it is somewhat like endorsing a political candidate who has just lost in a primary race—if you are for something, logic demands that you be for it across the board, and before it is too late.

Perhaps this single neglect of the problems of the District of Columbia contains the entire weight of justification for "home rule" for the District—where in the primary over 90 percent of the voters endorsed this aid for dependent children of unemployed parents.

AMENDMENT OF FOREIGN AGENTS REGISTRATION ACT

The Senate resumed the consideration of the bill (S. 693) to amend the Foreign Agents Registration Act of 1938, as amended.

Mr. FULBRIGHT. Mr. President.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, I shall take very little of the Senate's time in explaining the bill to amend the Foreign Agents Registration Act.

The subject matter of the bill has been studied thoroughly by the committee over the last 4 years and this is the same bill, with a few minor changes, that the Senate passed without opposition last year. The committee approved the bill without opposition this year.

The basic purpose of the bill is to update the Foreign Agents Registration Act to reflect the changes in the nature of the U.S. role in world affairs today. A quarter of a century ago, the original targets of this act were the subversive agent and propagandist. But as our interests throughout the world have multiplied, the efforts of foreign interests to influence American foreign and domestic policies have become correspondingly greater and more subtle. The place of the old foreign agent has been taken by the professional lobbyists and public opinion manipulators whose object is not subvert the Government but to influence its policies to the satisfaction of his client. The trench coat has been replaced by the gray flannel suit.

For a number of years the Committee on Foreign Relations has been concerned about the growing use—in both the legislative and the executive branches—of nondiplomatic means to influence Government policies. The economic impact of U.S. policies on the rest of the world in the postwar years has created a situation which nurtured the rise of the new foreign agent. Sugar quotas, foreign aid loans and grants, sale of surplus agricultural commodities—these and many more Government programs have afforded the foreign agent fertile soil in which to operate. And the Congress growing participation in specific foreign policy matters in recent years has made the legislative branch a prime target for the representative of the foreign interests. Sugar quota legislation alone provides sustenance to many.

After a number of incidents involving agents' attempts to influence policy had been brought to the attention of the committee, a decision was made in 1962 to conduct a full investigation to determine what legislative changes might be needed to adapt the Registration Act to fit present-day circumstances. The committee conducted a full investigation of the activities of selected foreign agents during 1962 and through most of 1963. This bill is the basic product of that study.

The major provisions of the bill as reported by the committee are:

First. Revised definitions of the terms "foreign principal" and "agent of a foreign principal" and addition of two new terms, "political activities" and "political consultant." These revisions are designed to aim the act more directly at persons performing political activities.

Second. An injunctive remedy is authorized where compliance with the act or the regulations is considered inadequate.

Third. Stricter requirements for disclosing political activities and expenditures are imposed on agents.

Fourth. Campaign contributions by foreign principals are prohibited.

Fifth. Contingent fee contracts based on the success of the agent's political activities are outlawed.

Sixth. Registered foreign agents appearing before congressional committees must file, as part of their testimony, their latest registration statement. Agents contacting Government officials, including Members of Congress, on policy matters must disclose their status as agents and identify their principal.

Seventh. Attorneys of record appearing before courts and administrative agencies on behalf of a disclosed foreign principal are exempted from registration.

Eighth. Authority is given the Attorney General to exempt agents and subagents from filing information which does not serve a useful public purpose.

The committee held a hearing on this bill on February 16 at which witnesses made a number of suggestions for amendments, most of them relating to professional services for foreign clients. Last year, after the committee had reported its earlier bill, the Supreme Court in the decision of Rabinowitz against Kennedy took a rather narrow view of the commercial exemption provision of the act. Our bill of last year recognized that the exemption was too narrow and expanded it considerably. But the House did not have an opportunity to consider that bill, so the problems created by the decision remain to be solved. This bill will accomplish that.

The Rabinowitz decision has been of particular concern to attorneys and the provisions in this bill will assure the legal profession that the normal services of attorneys to foreign clients will be exempt. Professional services by attorneys, architects, or engineers will not require registration unless the efforts for the foreign client constitute political activities. A specific exemption for attorneys representing foreign clients before courts and administrative agencies, where the attorney's status is a matter of record with the court or agency, has been included in the bill. The exemption is not intended to apply to agency contacts generally but only to those where proceedings are formalized and disclosure is assured due to the nature of the decisionmaking process. It is not intended to cover policy matters of interest to agents coming before the regular agencies and departments, such as sugar import questions handled in the Department of Agriculture.

The committee has also revised the definition of "political activities" in an attempt to make its meaning, and the committee's intent, more precise and eliminate any possible ambiguities.

Last year representatives of several large U.S. corporations with foreign subsidiaries and foreign concerns with U.S. subsidiaries expressed concern for fear that registration might be required because of their contacts with Government agencies and officials involving matters where the interests of the parent and subsidiary were mingled. I believe that the committee's intent as to coverage of activities of this nature was covered satisfactorily in the debate last year and is

reemphasized in the report on this bill. The bill expands, not contracts, the commercial exemption. And it is not designed or intended to impair the normal contacts of company officials with Government agencies and the Congress, even if the contacts would constitute "political activities" as defined in the bill, unless the principal beneficiary of the activities is the foreign subsidiary or parent.

In summary, the bill is designed to do a face-lifting job on a statute that has served the Nation well but which has not been revised to keep it abreast of the times. Foreign and domestic affairs are so inter-related today that the political and propaganda efforts of foreign agents ultimately affect every American. Both Government officials and the public need to—and have a right to—know more about the objectives, tactics, finances, and general mode of operations of those who seek to influence Government policies for foreign interests. With adequate disclosure both the public and officials will be better equipped to protect the integrity of the decision-making process of our Government.

Modernization of the act is long overdue and I hope that the Senate will pass the bill without opposition.

Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc.

The PRESIDING OFFICER. Without objection, the committee amendments are agreed to en bloc.

Mr. FULBRIGHT. Mr. President, I send to the desk some technical amendments, and ask that they be considered and agreed to en bloc.

The PRESIDING OFFICER. The amendments will be stated.

The LEGISLATIVE CLERK. On page 4, line 17, strike out the word "poltical" and insert "political".

On page 10, line 2, insert quotation marks at the end of the sentence.

On page 15, line 24 and continuing on to page 16, line 1, strike out "servant, or" and insert "or servant, or any person who acts".

On page 16, line 2, insert a comma following the word "control".

The PRESIDING OFFICER. Without objection, the amendments are agreed to en bloc.

Mr. TOWER. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to state the amendment.

Mr. TOWER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with. I shall explain it.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is as follows:

At the end of the bill insert the following:

"SEC. 10. (a) An individual who has a 1964 wage withholding deficiency may elect to pay the amount of such deficiency as provided in subsection (b).

"(b) If an individual makes an election under this section the amount of his 1964 wage withholding deficiency shall be paid—

"(1) if such amount does not exceed $100, not later than three months after the last day prescribed by the Internal Revenue Code of 1954 for payment of such individual's income tax for his taxable year beginning in 1964,

"(2) if such amount exceeds $100 but does not exceed $500, in two equal installments payable not later than three months and six months, respectively, after such last day, and

"(3) if such amount exceeds $500, in four equal installments payable not later than three months, six months, nine months, and twelve months, respectively, after such last day.

"Any installment payable under paragraph (2) or (3) may be paid in advance.

"(c) Any payment in accordance with the provisions of subsection (b) of a 1964 wage withholding deficiency by an individual who has made an election under this section shall, for all purposes of the Internal Revenue Code of 1954, be treated as a payment of the income tax of such individual for his taxable year beginning in 1964 and shall be treated as made on the last day prescribed by such Code for payment of such tax.

"(d) An election under this section shall be made within such time and in such manner as the Secretary of the Treasury or his delegate may prescribe by regulations.

"(e) For purposes of this section, the term '1964 wage withholding deficiency' means, with respect to any individual, whichever of the following amounts is the smaller:

"(1) the amount by which—

"(A) the tax imposed by chapter 1 of the Internal Revenue Code of 1954 on the taxable income of such individual for his taxable year beginning in 1964, computed by disregarding all items of income other than wages and all deductions allowable solely because attributable to income other than wages, exceeds

"(B) the credit allowable to such individual under section 31(a) of such Code for tax deducted and withheld under section 3402 of such Code on the wages of such individual during 1964; or

"(2) the amount by which—

"(A) the tax imposed by chapter 1 of the Internal Revenue Code of 1954 on the taxable income of such individual for his taxable year beginning in 1964, exceeds

"(B) the sum of (i) the credits allowable to such individual for such taxable year under part IV of subchapter A of chapter 1 of such Code, and (ii) the estimated tax paid by such individual under section 6015 of such Code for such year.

"The Secretary of the Treasury or his delegate may by regulations prescribe conditions under which all items of income may be treated as wages for purposes of paragraph (1)(A) of this subsection.

"(f) Terms used in this section shall have the meanings assigned to them by the Internal Revenue Code of 1954.

"(g) The Secretary of the Treasury or his delegate shall prescribe such regulations as he deems necessary for the application of the provisions of this section in the case of a joint return of a husband and wife and may prescribe such other regulations as he deems necessary to carry out the provisions of this section."

On page 17, line 11, strike out "This" and insert "The preceding sections of this".

Amend the title so as to read: "A bill to amend the Foreign Agents Registration Act of 1938, as amended, and for other purposes."

Mr. TOWER. Mr. President, I am pleased to note that the President and the Internal Revenue Service have at long last taken cognizance of the problem facing many Americans because of underwithholding on 1964 income taxes.

However, I was most disappointed to find that the Internal Revenue Service does not plan to do anything substantial about this problem. Instead, according to the IRS Director's weekend comments, the Service will render only its normal, routine assistance to those taxpayers who can prove that hardship prevents them from making full tax payments by the 15th of this month.

Many of us have recognized this problem for a full year now. We have presented legislative solutions to this governmental-inspired situation. But, we in the Congress were constantly assured that there really was no problem and that, if there was, the IRS would work it out.

Well, try and tell the American taxpayer that there is no problem.

Eventually, that reality even filtered through to IRS. Then for many more long weeks they promised relief. But, the relief when it belatedly came was too little and too late.

IRS' "solution" to make the taxpayer prove an elusive thing called hardship. Even then it plans to charge him interest on his hardship.

There is a much better way.

On January 26 of this year, I introduced S. 733, which would grant up to 1 year additional time for the payment of income taxes caused by underwithholding resulting from the 1964 income tax law revision. The schedule of payments under my proposal would be as follows:

First. If such amount does not exceed $100, not later than 3 months after the last day prescribed by the Internal Revenue Code of 1954 for payment of such individual's income tax for his taxable year beginning in 1964;

Second. If such amount exceeds $100, but does not exceed $500, in two equal installments payment not later than 3 months and 6 months respectively, after such last day; and

Third. If such amount exceeds $500, in four equal installments payable not later than 3 months, 6 months, 9 months, and 12 months, respectively, after such last day.

I regret, Mr. President, that no action was taken on my proposal. The Administration and the IRS have known of the problem for a long time.

Briefly, the story is this. An 18-percent withholding rate continued in effect until March 1964. The 1964 tax bill which passed at that time provided for an immediate transition to a 14-percent rate, not 15 percent as had been earlier proposed. Thus, many have had an insufficient amount held out of their paycheck.

In simpler terms, this administration gave "attention extraordinary" to the much heralded tax cut. The pay envelope was a much fatter one. What was not pointed out was the fact that some of the extra money—all of which was thought of by the taxpayer to be a result of the tax cut—was not the taxpayer's money at all, but actually belonged to the Federal Government, and would have to be repaid come April 15, 1965.

Subsequent to passage of the 1964 Revenue Act, Treasury began, ever so

gently, advising the taxpayer to beware that he might have to pay a little extra tax. This slight admonition certainly got nowhere the publicity that the tax cut received. The result was that many, many taxpayers never had any idea at all that a good portion of their increased pay was not theirs at all.

The Treasury Department advised my office on March 8 of this year that the estimated increase was not really very much, that it would only amount to an increase in final tax payments of some $500 million. Now, in the billions that Treasury deals with, I realize that $500 million is small, but in terms of individual hardship, $50, $100, or $500 can seem awfully big.

I hope, of course, that Treasury's estimate is correct and their statements, that the lower income wage earner will not have to pay an additional amount in excess of that already withheld, are true. But numerous letters I have received, similar to the following, make me wonder if Treasury estimates are entirely accurate. I quote:

DEAR SIR: Having just figured my income tax for the year and finding that I will have to pay $44.80 additional income tax on a yearly salary of $3,725, I thought I would write and express my views.

I was under the impression that the Government was going to reduce the income tax but it certainly has not turned out that way. Possibly the cut that was supposed to have been made benefited the higher salaried people who do not need it nearly as much as people like myself.

I am well aware of the fact that you alone cannot get this done, but that it will take the cooperation of all the Senators and Representatives together. I would certainly appreciate your efforts in getting something done toward cutting down on the withholding tax, especially for the small salaried people.

Yours very truly,

——— ———.

The name I withhold.

Mr. President, it is unjust to blame the taxpayer for this plight. The Treasury Department should have done something about it, but all they could figure out to do was to charge 6-percent "interest for hardship." The Internal Revenue Service will decide what constitutes "hardship." The Government-imposed "inconvenience" will not count. The Senate should assume the leadership in remedying this sneak attack on the taxpayers of our Nation.

Therefore, I have sent to the desk an amendment to the pending bill.

I ask for the yeas and nays on my amendment; therefore, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MONTOYA in the chair). Without objection, it is so ordered.

Mr. TOWER. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. MUNDT. Mr. President, I should like to address myself briefly to the amendment offered by the distinguished Senator from Texas. I believe he has offered a very constructive and useful amendment, and one which, under the unusual circumstances which now confront many taxpayers, deserves the support of the Senate.

At this time this strange new decreased withholding concept was initiated, when the Senate considered the tax reduction bill, I raised the question as to the perils of undercollecting from taxpayers. I felt it was one of my obligations as a Member of the Senate to alert the taxpayers of South Dakota who might be affected at least to what they might confront.

In the weekly newsletter which I have sent to the people of South Dakota each week since I was first elected to the House of Representatives quite some time ago, I have tried to portend events of this type. I feel that one of the purposes of the newsletter is to display such caution flags and to flash the bronze lights when they become necessary.

Three times last year in my newsletter I predicted precisely the type of predicament which was going to confront the taxpayers of South Dakota in particular and of the United States generally. First, on March 17, 1964, in my newsletter volume XXVI, No. 3, under the heading "Tax Reduction Can Cost," I said, in part:

Taxpayers now receiving more money in their regular paychecks through a reduction in the Federal withholding rates should keep in mind that "today's benefits might be tomorrow's expense. The withholding tax rate now in effect may not be sufficient to provide for the average taxes to be collected from the vast majority of the wage-earning taxpayers.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the complete statement I made in my newsletter of March 17, 1964, on the subject "Tax Reduction Can Cost."

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

TAX REDUCTION CAN COST

Taxpayers now receiving more money in their regular paychecks through a reduction in the Federal withholding rates should keep in mind that today's benefits might be tomorrow's expense. The withholding tax rate now in effect may not be sufficient to provide for the average taxes to be collected from the vast majority of the wage earning taxpayers. Here's why: The new law provides for a tax reduction in two installments. The first reduction is for the 1964 tax year. The remainder of the reduction is applicable for the 1965 tax year. However, the entire withholding rate reduction from 18 percent to 14 percent took effect immediately (on March 5). This means the taxes withheld may not match the rates for the year and the average salaried taxpayer could find that he owes additional taxes when he prepares his return next year. The taxpayer has the alternative of asking his employer to withhold more than the 14 percent by claiming fewer exemptions than he is entitled to or be prepared to pay an additional amount when he files his 1964 return because not enough was deducted in withholding.

Mr. MUNDT. Mr. President, I explained the dilemma. I pointed out the reason for this situation and suggested steps which taxpayers might take at that time to protect themselves. Considerable interest developed as a result of this particular newsletter's warning, so I discussed the subject in greater detail a few months later in Newsletter, volume XXVI, No. 16, dated September 15, 1964, again under the heading "Tax Reduction Can Cost." I alluded to the previous newsletter and pointed out:

The result is that most taxpayers are being underwithheld in 1964 and must face unusually large tax payments next spring. Many taxpayers will unhappily discover that much of the tax cut they thought they were receiving this year will have to be paid back to the Government next April when 1964 income tax payments fall due.

It seemed to me at the time that the Federal Government had an obligation to tell taxpayers generally what, in my limited manner, I was trying to point out to the taxpayers of South Dakota. It was quite obvious that many taxpayers thought that reduced withholding taxes meant for them a reduction in the amount of taxes they would have to pay all the way along the line, and did not have the vaguest idea that they were going to get a big tax bill for underpaid taxes which they would have to finance in April 1965.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the entire portion of my Newsletter, volume XXVI, No. 16, of September 15, 1964, under the heading "Tax Reduction Can Cost."

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

TAX REDUCTION CAN COST

Readers of "Your Washington and You" will recall that last March I warned that the new tax law which provided for a tax reduction in two installments might cause problems and today's benefits might be tomorrow's expenses. The first installment of the tax reduction was for the 1964 tax year and the remainder of the reduction is applicable for the 1965 tax year. This, I indicated, could mean that many taxpayers would find that they owe additional taxes when they prepared their next return.

My prediction of the predicament the average taxpayer might find himself in was borne out by Congressman THOMAS CURTIS, of Missouri, a ranking member of the tax-writing House Ways and Means Committee who discussed the "phantom" tax cut on the House floor. He explains the tax cut in these words:

"In effect, the Revenue Act of 1964 provided for what might be termed a two-sided tax reduction. On the one hand, the income tax rate structure was reduced, which cut the taxpayers' actual tax liability to the Federal Government. On the other hand, the withholding rate was cut from 18 to 14 percent in one stroke—rather than in two stages as originally provided in the House bill—so that wage and salary earners would have less taxes withheld from their wages and thus receive larger paychecks than previously. The cut in the withholding rate might be called the apparent tax reduction.

"The withholding rate was cut to 14 percent immediately, only on the urgent recommendation of the Johnson administration. However, the reduction in tax liabilities was scheduled to take place in two installments, the second of which will not become effective until next January. The result is that most taxpayers are being underwithheld in 1964 and must face unusually large tax payments next spring. Many taxpayers will unhappily discover that much of the tax cut they

thought they were receiving this year will have to be paid back to the Government next April when 1964 income tax payments fall due."

Congressman CURTIS concludes with the unhappy news that next April when they pay their 1964 taxes, the average married couple with two children will owe anywhere from $10 to $1,135 in addition to what has been withheld from their salary throughout the year, dependent on income level.

Mr. MUNDT. Mr. President, a considerable amount of correspondence developed as a result of that newsletter, so in my newsletter volume XXVI, No. 17, dated September 29, 1964, I devoted the entire back page of my weekly report, which I call "Your Washington and You," to the same subject, under the heading "A Cold Spring, Taxwise." Mr. President, that "Cold Spring" is now with us, taxwise, and from all over the country we are receiving many letters, some expressing mild criticism, some almost expressing consternation, about the impact of the increased amount of taxes in 1965 on the household budget of many an American family.

In that newsletter, I included a tax table, pointing out precisely what would occur as a consequence. I am happy to report that a number of South Dakota taxpayers, at least, made necessary readjustments in order to be ready for this contingency, but not all of them. A great many Americans are ill prepared, however, to pay Uncle Sam's tax collectors an increase in taxes in 1965 when they had been led to believe by Federal publicity that the taxes, in their instance, were being reduced.

Mr. TOWER. Mr. President, will the Senator from South Dakota yield for a question?

Mr. MUNDT. I yield.

Mr. TOWER. First, I thank the Senator for his eloquent and timely support, and also for the fact that he is one of those who sounded the alarm early on this subject.

Is it not true that one of the original purposes of the passage of the tax bill of last year was to put more money into the economy, and will we not be thwarting that purpose if we do not enact some sort of legislation of this kind?

Mr. MUNDT. The Senator from Texas is correct. I congratulate him on having proposed a perfectly fair, equitable, and plausible solution to the problem. I believe the Federal Government was seriously at fault in not providing for the taxpayers generally the kind of information which I tried, in my way, to provide for the people of South Dakota. The least the Federal Government could have done was to point out that the economies of a synthetic nature that they were enjoying in 1964 would become tax penalties in 1965, and that they should fortify themselves against the payment date and take the steps which were available to them not to enjoy the temporary withholding tax windfall, because "payday" was just around the corner, and they could have been ready for the situation.

But not having been adequately forewarned, not having been told generally by the tax administration that they would face this kind of serious problem in April 1965, the Government generally, Congress included, has an obligation now to act along the lines of the Tower amendment, which would enable the people at least to stagger the payments of this increased tax burden which American taxpayers who have a withholding schedule are confronting in their salaries and wages in 1965.

Mr. President, I ask unanimous consent to have printed at this point in my remarks the entire paragraph of my newsletter, volume XXVI, No. 17, for September 29, 1964, entitled "A Cold Spring, Taxwise."

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

A COLD SPRING, TAXWISE

In my September 15 report I discussed the 1964 tax bill and the reduction in withholding rates which will result in taxpayers having to pay an additional amount next spring because not enough is being withheld now. Representative THOMAS CURTIS, of Missouri, a ranking member of the tax-writing House Ways and Means Committee, in discussing the "phantom tax cut" said: "The plan will prove a cruel and costly hoax to many working men and women. While their pay envelopes are fattened by a large 'apparent' tax reduction, they are being exhorted by President Johnson to spend the increase in aftertax incomes in order to give the economy a 'shot in the arm.' When April rolls around, many taxpayers will find that they have to repay the Government as much as $1 of every $3 of their 'apparent' tax reduction." Mr. CURTIS also included in the CONGRESSIONAL RECORD (vol. 110, pt. 17, pp. 22336–22338) tables showing how much extra money the taxpayer will have to pay next spring. One example follows, with the third column from the left showing what a married couple with no dependents will have to pay:

Tax liability, tax withheld, and tax refund or tax due under Revenue Act of 1964 and under previous law (calendar year 1964)—Married couple with no dependents with standard deduction

Annual income all from wage or salary	Under Revenue Act of 1964			Under previous law			Revenue Act of 1964 over previous law		
	Tax liability	Tax withheld	Tax due or refund (−) in spring of 1965	Tax liability	Tax withheld	Tax due or refund (−) in spring of 1965	Decrease in withholding ("apparent" tax cut)	Increase or decrease (−) in tax due in spring of 1965	Increase or decrease (−) in tax due in spring of 1965 as percentage of decrease in withholding
$3,000	$230	$244.80	−$14.80	$305	$296.40	$8.60	$51.60	−$23.40	−45.3
$4,000	399	392.40	6.60	485	478.40	6.60	86.00	0	0
$5,000	554	545.20	8.80	660	665.60	−5.60	120.40	14.40	12.0
$6,000	720	703.20	16.80	844	858.00	−14.00	154.80	30.80	19.9
$7,000	900	817.80	82.20	1,042	998.40	43.60	180.60	38.60	21.4
$8,000	1,080	988.00	92.00	1,240	1,211.60	28.40	223.60	63.60	28.4
$9,000	1,260	1,140.80	119.20	1,438	1,398.80	39.20	258.00	80.00	31.0
$10,000	1,440	1,293.60	146.40	1,636	1,586.00	50.00	292.40	96.40	33.0
$11,000	1,668	1,420.18	247.82	1,888	1,740.96	147.04	320.78	100.78	31.4
$12,000	1,903	1,566.99	336.01	2,148	1,920.88	227.12	353.89	108.89	30.8
$13,000	2,138	1,713.80	424.20	2,408	2,100.80	307.20	387.00	117.00	30.2
$14,000	2,373	1,860.61	512.39	2,668	2,280.72	387.28	420.11	125.11	29.8
$15,000	2,636	2,007.42	628.58	2,960	2,460.64	449.36	453.22	129.22	28.5
$16,000	2,906	2,154.66	751.34	3,260	2,640.56	619.44	485.90	131.90	27.1
$17,000	3,176	2,301.56	874.44	3,560	2,821.00	739.00	519.44	135.44	26.1
$18,000	3,446	2,448.37	997.63	3,860	3,000.91	859.08	552.55	138.55	25.1
$19,000	3,744	2,595.18	1,148.82	4,192	3,180.84	1,011.16	585.66	137.66	23.5
$20,000	4,049	2,742.42	1,306.58	4,532	3,360.76	1,171.24	618.34	135.34	21.9

If you desire to have the entire text of Mr. CURTIS' speech, which includes in addition to the above table three others, I will be happy to send it to you.

Mr. MUNDT. Mr. President, I urge Senators to take this necessary emergency step to meet a problem confronting our taxpayers, a problem that was made in Washington. It is not a problem that was created in the homes or in the offices or at the desks of taxpayers. This is a problem that was created in Washington for the taxpayers, and it can be solved satisfactorily only by action from Washington. I think the Tower amendment would do the job. I hope it will be adopted by the Senate.

Mr. WILLIAMS of Delaware. Mr. President, I shall support the amendment offered by the Senator from Texas because it would help to alleviate a situation in which many taxpayers find themselves through no fault of their own.

First, I wish to express appreciation to the Internal Revenue Service for the consideration which they have given to this subject thus far on a voluntary basis. Over the weekend the Commission of Internal Revenue announced his recognition of the problem which confronts many taxpayers and said he was instructing the District Directors to give consideration to those taxpayers who file returns but do not have the money. To the extent that their deficiency can be accounted for by underwithholding they are to be given some additional time in which to pay.

The only difference between the Treasury directive and the Tower amendment is that the Tower amendment spells out the amount of time that the taxpayers should receive so that they may know as a matter of law that they will have 3 months, 6 months, or whatever amount of time is provided to make their monthly payments and that there will be no penalty. I think it would be much better to have this point cleared up so that taxpayers who file their returns will know exactly where they stand without having to appeal to some bureaucrat for the extra time. If the amount a taxpayer owes is, say, $300 he will know that he

will have 3 months in which to pay in three installments.

Mr. MUNDT. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. MUNDT. Is it not true that it is not only much better for every taxpayer to know in advance the schedule to which he is entitled, but that it is also much better, generally speaking, to have this understanding in the form of a Federal statute, rather than to leave the handling of the matter to the discretion of an individual who, being human, might move in one direction or another, if he has to make a decision in each individual case, but who obviously is looking for some opportunity to be helpful? The Tower amendment would spell out the understanding so that every taxpayer would be entitled to the same kind of treatment.

Mr. WILLIAMS of Delaware. That is true. There is another point: If we do not spell out a specific time it will mean that the various district directors will have to handle each case individually, and the extra paper work of necessity could cost an exceedingly large amount of money.

This amendment would reduce the work on the Bureau itself. If this provision were spelled out it would be much simpler than if the Internal Revenue Service had the burden of examining each of these returns to determine the financial status of the individuals involved. I can see that the cost of administering that procedure would be far in excess of the cost that would be required under this amendment.

Mr. MUNDT. It would not only be simpler, but much more economical all the way through.

Mr. WILLIAMS of Delaware. That is the point I am making. I do not think we want to lose sight of the fact that this formula will not be known by all taxpayers. The taxpayers were given a tax reduction last year. As the bill was first sent down to the Committee on Ways and Means by President Kennedy it was recommended that the withholding rate be fixed at somewhere between 15 and 16 percent.

As I recall it, the actual figure given to the committee was 15.67 percent withholding. To round it out, they would have had to use 16 percent.

The Committee on Ways and Means used 15 percent instead. This figure reduced the withholding somewhat below the actual withholding needs. However, when the measure came to the Senate Committee on Finance—and I am speaking as a member of the committee—the bill was the recipient of this so-called Texas twist. The rate was fixed at 14 percent so that the people would think they were getting a larger tax reduction than they actually received. Word came from the White House very early in 1964 to forget all about the 15 percent recommendation and to make it 14 percent. That is what we referred to in the committee as the Texas twist.

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

Mr. WILLIAMS of Delaware. I yield.

Mr. TOWER. Mr. President, I say that this is a reverse Texas twist that will be put on it.

Mr. WILLIAMS of Delaware. We are trying to correct the impact of the "Texas twist." I compliment the junior Senator from Texas for trying to correct the misleading Texas twist that was given to the 1964 tax reduction in order to fool American taxpayers. On orders of the administration the withholding was reduced to 14 percent.

While it is true that the Internal Revenue Service did a marvelous job throughout the country in instructing taxpayers that it would represent an underwithholding, the administration was discrediting this warning and playing it down. They were boasting about what a tax cut they had given to the American people. The administration not only insisted that the withholding be reduced to 14 percent, which would be two points below the necessary withholding rate, but also asked that all of the employers of the country have their forms ready prior to the enactment of the bill, with instructions that the reduced 14 percent rate should be made retroactive. They wanted to get the extra money into the hands of the people. The administration urged the people to spend it with the thought of stimulating the economy so that it might have the benefit of the election results.

Taxpayers are now paying the fiddler. There was approximately $500 million in underwithholding as a result of this so-called Texas twist. I think it is only proper that Congress now try to remedy this deliberate action. Let us hope that in the future we can get this Texas twist out of bills as they come up. We should recognize that, as a Congress, we represent all 50 States of the Union, working together for the good of the taxpayers.

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

Mr. WILLIAMS of Delaware. I yield.

Mr. MUNDT. Mr. President, I point out that what the Senator has said has a good deal of validity. I should hope that whatever happens to the amendment of the distinguished junior Senator from Texas, and I hope it will be agreed to, the taxpayers who read this RECORD and the taxpayers who write these ballooned checks for tax costs this month will realize that after every party there is a payday, and that this is simply illustrative and symbolic of what will happen in other tax bills in succeeding years as we start to pay for the cost of the Great Society.

It is all very easy to pass authorizing bills and put the camel's nose under the tent and say that the measure will not cost very much for the remainder of the year, or for the first few months of the following year. However, when we start on hundred-million-dollar programs and multibillion-dollar programs, there will be a payday after every party. The taxpayers who now face the payday for the party of tax forgiveness that was carried out in 1964 should know that there will be paydays for the other great costly experiments under the Great Society.

Mr. WILLIAMS of Delaware. Mr. President, I agree fully with that statement. It is most unfortunate that the American taxpayers were given the impression that they were getting a greater tax reduction than was actually voted and approved by the administration. What makes it worse is the fact that this misleading information was distributed deliberately and admittedly for political reasons. Because it was an election year—they wanted the taxpayers to go into the voting booths thinking they had received a great tax reduction. The administration knew that the payday would come after the election, when it was too late for the taxpayers to change their ballots.

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

Mr. WILLIAMS of Delaware. I yield.

Mr. TOWER. Mr. President, I concur in the Senator's comments relating to the Internal Revenue Service. I thank the Senator from Delaware for his able support of this measure. The Senator is a well-known expert in fiscal matters.

I further point out that the difference between the action we would take here, providing my amendment were adopted, and the action that the Internal Revenue Service might take on its own initiative, is that this measure would eliminate any hardship, and waive any interest.

I think it is incumbent upon us to do so. We created the problem in the first place by enacting the bill. Since we created the problem, I do not think we should punish the taxpayers for a mistake that we made.

Mr. WILLIAMS of Delaware. Mr. President, I thoroughly agree with the statement of the Senator from Texas. I shall support this measure.

I think the junior Senator from Texas will agree that the Commissioner himself has gone as far as he can under existing law to minimize the adverse effects imposed on the taxpayers as a result of the Texas twist that was placed on the 1964 tax bill by the administration.

Mr. TOWER. Mr. President, I think the Commissioner has gone as far as he can go. I think we would help him if we were to agree with my amendment.

Mr. WILLIAMS of Delaware. I agree.

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

Mr. WILLIAMS of Delaware. I yield.

Mr. ELLENDER. Mr. President, I do not believe that my good friend, the senior Senator from Delaware, is alleging that there was no tax cut.

Mr. WILLIAMS of Delaware. Oh, no. There was a tax cut, but the tax cut was not as great as the American people were led to think when the administration reduced the withholding rate to 14 percent. We were first advised that it would require approximately 16 percent—to be exact, I think that was 15.67 percent to keep withholding on a par with previous years.

The House provided for a 15-percent withholding rate. By orders of the White House in early 1964 a majority of the Senate Committee on Finance made it 14 percent. That was done knowing that it was too low.

Mr. ELLENDER. Mr. President, did the Senator vote for the 14-percent provision?

Mr. WILLIAMS of Delaware. I did not vote for the bill.

Mr. ELLENDER. I did not vote for that provision either.

I read in the newspaper, either today or yesterday, that the Internal Revenue Service would administratively correct the evils that may have occurred as a result of this "Texas twist" to which the Senator has referred.

Mr. WILLIAMS of Delaware. That is true to a great extent. I compliment the Internal Revenue Service for the action that it has taken thus far.

Mr. ELLENDER. If this can be accomplished administratively, why should we agree to this amendment?

Mr. WILLIAMS of Delaware. The Internal Revenue Service has stated that it will take care of such cases on an individual hardship case basis.

As I understand, under the administrative procedure that is all it can do. That means that each individual taxpayer must file his return and then apply for an extension of time on the basis of hardship.

The cost of examining all the applications will be terrific. What the amendment of the junior Senator from Texas seeks to do is to spell out under a fixed formula that the taxpayer would have 3 months or 6 months extra time to pay his tax. Then the taxpayer could pay his shortage in three or six installments. The taxpayer would know what he was doing without filing an application. The Internal Revenue Service would know what to expect.

It is my understanding that the Internal Revenue Service cannot establish a deadline such as is proposed in the amendment. However, the Internal Revenue Service can extend it by 3 months or 6 months, as they see fit, on an individual basis, but it would cost a great deal more money to process each separate application.

Mr. ELLENDER. I have not had the time to read the amendment. Would the amendment provide that the extension would be given to all those taxpayers whose tax is not over $100?

Mr. WILLIAMS of Delaware. No.

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

Mr. WILLIAMS of Delaware. I yield to the Senator from Texas.

Mr. TOWER. Mr. President, may I point out to the senior Senator from Louisiana that the Internal Revenue Service has done probably as much as it can under certain circumstances. My proposed amendment would give to taxpayers who have had their tax underwithheld, not in excess of $100, 3 months within which to pay this amount.

Mr. ELLENDER. Does the Senator mean the additional amount?

Mr. TOWER. Only the amount of the deficiency that was the result of the underwithholding.

Mr. ELLENDER. Will they have to pay the interest?

Mr. TOWER. They will not have to pay the interest. This amendment would allow them to forget the interest.

Mr. ELLENDER. That applies only to the increase between what was withheld and what they have to pay?

Mr. TOWER. It applies only to the withholding deficiency; nothing more than that.

Mr. ELLENDER. I thank the Senator.

Mr. CARLSON. Mr. President, I shall support the amendment offered by the Senator from Texas [Mr. TOWER]. I think it is not only timeful, but helpful in the collection of taxes. Millions of citizens will know when and how to pay the tax they owe, rather than have it be a matter of administrative decision.

I concur in what the Senator from Delaware [Mr. WILLIAMS] has said about the Internal Revenue Service. He held many conferences with the Commissioner of Internal Revenue and others in the agency, urging them to do something about it, which I think resulted in the cooperative response of the agency. Therefore, I believe the Senator from Delaware deserves a great deal of commendation for starting this move to take corrective action.

Secondly, there were members of the Finance Committee, including the Senator from Delaware and myself, who realized, when 18 percent of salaries had been withheld, that a cut to 14 percent was much greater than it should have been.

There is no doubt that a reduction was made in order to get an added amount of money in to the spending stream before the election. There is no question about it. That aspect was fully discussed, but the proposal was adopted. I hope the Senate will adopt the Tower amendment today.

Mr. WILLIAMS of Delaware. I thank the Senator for his comments. In line with what he has said with respect to my conferences with the Department, I wish to express my appreciation to Commissioner Cohen and those in his Department who worked on this matter. They recognize the problem, and to the extent that they are able to do something administratively, they are. The Senator from Texas proposes to do away with the interest requirement and sets a specific time for payment. This needs legislation. The adoption of the amendment would go far toward correcting hardship cases involving many taxpayers who in the years heretofore have prided themselves on being timely taxpayers but who through no fault of their own are now placed in an embarrassing situation as a result of the "Texas twist."

Mr. SMATHERS. Mr. President, at the appropriate time I expect to make a motion to table. I would like sufficient time for Senators who favor the amendment and who wish to make speeches to do so. I shall withhold making the motion until all Senators sponsoring the amendment or in favor of it will have an opportunity to speak.

The Senator from Texas is ringing a bell, but in all candor, he has been ringing a bell at the wrong door. There is no purpose to be gained by adding this amendment to the pending bill. The pending bill is the Foreign Agents Registration measure. If the Senator is looking for speed, he will not get it by putting this amendment in the bill, because if we add that amendment to this bill, it will then have to go to the House of Representatives, where it has not yet been considered. I presume it will have to go to the House Foreign Affairs Committee for hearings. That, I presume, will take a little time. It will then have to go to the House Rules Committee, where it will take some additional time. Then it has to be adopted in the House. All of this takes time.

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

Mr. SMATHERS. I yield.

Mr. TOWER. If the Senator from Florida can suggest a more speedy vehicle on which I can hang this measure, I shall be glad to do it.

Mr. SMATHERS. This procedure has been referred to as the "Texas twist." This is simply talk by the Seantor from Texas for the benefit of some people who have a feeling about this matter, for whom there was underwithholding in 1964. We shall have to ask certain people in certain categories to pay additional taxes over that which the law specifically provides, because of the fact that taxes were underwithheld in 1964. But in 1966 and in every year thereafter, the total amount of the tax cut, as we discussed it, was to have a beneficial effect in the Nation. I believe 70 percent of the Members of the Senate voted for that measure.

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

Mr. SMATHERS. I yield.

Mr. ELLENDER. From the discussion I have heard thus far I have been under the impression that this amendment was being added to a tax bill. Am I to understand that it is proposed to be added to a Senate bill unrelated to taxation?

Mr. SMATHERS. The Senator is correct.

Mr. ELLENDER. How would that meet the rules of the House? We do not have a tax bill before us, and this amendment affects taxation?

Mr. SMATHERS. The Senator is correct. Constitutionally, this proposal is not correct, but I thought it would be simpler, rather than make such a point, to let the able Senator from Texas make his offer and let him and all the other Senators who have certain feelings about this "Texas tornado" talk, and then make a motion to table. It would be simpler to do that than talk about constitutionality.

Mr. ELLENDER. As I said a while ago, I am in sympathy with the amendment of the Senator from Texas.

Mr. SMATHERS. And so am I sympathetic to the amendment of the Senator from Texas.

Mr. TOWER. Mr. President, if the Senator will yield, I have spent less time talking about this matter than any other Senator, including the Senator from Florida. This proposal has been before us since January. Nothing has been done. We are getting down to the deadline. I said last week that I would try to pick some sort of vehicle to which to attach this proposal, because something must be done. I think the modification of the tax was good. I did not vote for it,

for which I received a great deal of criticism from people in Texas. I did not do so because I think we should keep our expenditures within our receipts. But the taxpayer was given the impression that he was going to get more money back than he actually was entitled to, and now he finds he has to borrow money to pay his taxes. That is going to take money out of the economy so that the taxpayers can pay their taxes. The proposal has gone through the Senate quickly. I do not think it will be in the House very long.

Mr. SMATHERS. It has not gone through the Senate. The Senator has just now offered his amendment. It has not gone through the Senate.

Mr. TOWER. I am talking about S. 693. That has been approved. We are talking about the vehicle to which to attach this measure.

As to the constitutional point, that is not involved. The Constitution provides that bills raising revenue shall originate in the House of Representatives. I have some legal information to the effect that this is a legitimate procedure and measure. Therefore it is not something within the constitutional ban.

Mr. SMATHERS. I do not agree with the junior Senator from Texas on this particular point of constitutionality. For years in the Senate, the Senate Finance Committee has been trying to put itself in the position where it could change, somehow, tax rates, rates of payment, even proposals with respect to social security matters, and every other kind of matter; and we always have had to wait, constitutionally, until the House acted, because such matters have to do with revenue. Whether the proposal is to raise or lower, or whatever the proposal on taxes is, it originates in the House of Representatives. That has been, unfortunately, the rule, but it is the rule.

We do not expect to be able to talk about sugar legislation because a lower tax is placed on sugar from time to time; but, unfortunately, we are bringing it up because it has been construed all over again, and unquestionably there are precedents concerning it. We have to see that it is taken up in the House of Representatives because it has something to do with either bringing more money in on a tax on sugar, or less money, and frequently we are trying to lower it.

Therefore, I disagree with the Senator on that point, but that is not the point I make. The point I wish to make is that the Senator brings up a question which is serious and occupies the minds of many taxpayers. The Internal Revenue Service is the agency which should do something about it immediately.

Last Saturday the Internal Revenue Service had something to say on the subject. It should be printed in the RECORD, and I shall therefore read it. It is published on the front page of the New York Times Sunday edition for April 4:

PAYMENTS EASED FOR 1964 TAX BILLS: GRACE PERIOD IS PERMITTED BUT HARDSHIP MUST RESULT FROM UNDERWITHHOLDING

WASHINGTON, April 3.—The Government left the door ajar tonight for those who face hardship in paying their income tax in full on April 15. But the burden of proof rests on the taxpayer.

Further, he must convince the Internal Revenue Service that hardship results from underwithholding from his paycheck.

What the Senator is suggesting raises another complication. Are we talking about taxpayers who are having to pay a great deal of tax because of underwithholding, or those who do not wish to pay a tax? To determine this would require the investigation of approximately 77 million tax returns, which the Internal Revenue is not in a position to do.

Mr. TOWER. Mr. President, will the Senator from Florida yield at that point?

Mr. SMATHERS. I should like to finish reading the article, and then I shall be glad to yield to the Senator from Texas.

The article continues:

The policy of permitting people to file a return without paying the whole bill right away is not new. The Service has never tried to put people in jail for failure to pay on time.

But the Service issued a special statement making these points:

It warned all taxpayers that their returns must be submitted by the April 15 deadline to avoid severe penalties under the law.

It urged taxpayers to pay the full amount due at that time if it were at all possible.

It recommended payment of as much as possible if full payment "would result in undue hardship, as distinguished from mere inconvenience."

It said those who did not pay in full would receive a bill for the unpaid balance.

It instructed those receiving such balance-due bills to "promptly write or visit the nearest Internal Revenue Service office to arrange payment" in what it described as "a reasonable period of time."

A reasonable period of time. I add those words.

I added the second "reasonable period of time." It is stated specifically in the article that it will work out payments within a reasonable period of time.

Mr. TOWER. Mr. President, will the Senator from Florida yield?

Mr. SMATHERS. I yield.

Mr. TOWER. Will the Senator clarify that last statement? There is only one reference to "a reasonable period of time."

Mr. SMATHERS. The Senator is correct. There is only one reasonable period of time. For emphasis I merely read it again.

The article continues:

It added that full payment should be made "as quickly as possible."

It noted that interest at 6 percent would be charged on unpaid balances.

Many taxpayers face problems in paying their 1964 income tax because insufficient money has been withheld from their wages or salaries.

When the two-stage tax reduction bill was passed last year, the new withholding scale was put into effect at once on the basis of the full reduction. But this does not become effective until the tax bills for 1965. This was done primarily to inject more spendable income into the economy in 1964.

There was considerable publicity about this and many persons arranged to have employers increase sums withheld.

I should like to emphasize that to all Senators—

And the service sent a notice to all employers pointing out the consequences of underwithholding and asking them to suggest that employees request adjustments in withholding.

The Commissioner of Internal Revenue, Sheldon S. Cohen, noted:

"There are a number of taxpayers who in good faith did not make such adjustment. These taxpayers may not have understood the need to do so in their particular case or they may have been unable to make such an adjustment as a result of circumstances beyond their control."

He then concluded:

"In such cases, if the taxpayer can demonstrate that the unpaid portion of his tax is due to underwithholding and that the immediate payment of the entire balance would result in undue hardship, as distinguished from mere inconvenience, the Internal Revenue Service will attempt to work out arrangements for payment of the balance over a reasonable period of time."

Mr. TOWER. Mr. President, will the Senator from Florida yield?

Mr. SMATHERS. I am glad to yield to the Senator from Texas.

Mr. TOWER. All that information has been brought out in discussion in the Chamber. The Internal Revenue Service has been commended for its efforts to try to inform the people as to the facts on underwithholding. The fact remains that what is proposed is a hardship test. The interest still applies. What we are trying to do is to set up a time schedule to avoid the hardship test and forgive the interest, because many taxpayers were not properly informed regarding underwithholding.

To me, this is eminently reasonable. From the administrative standpoint, it would relieve the Internal Revenue Service of a great deal of work in having to go into all the tax returns individually in order, to determine existing hardships.

Mr. SMATHERS. If the Senator from Texas will yield at that point, the Senator is concerned about giving the taxpayer relief, and he makes some point about the 6 percent interest. Why did the Senator not vote a year ago for the $11½ billion tax cut? He now proposes to give the taxpayers the benefit of elimination of the 6 percent interest, which is approximately one-half percent a month. It will be of considerably less benefit to them than if he had voted—as most Senators did last year—for the $11½ billion tax cut a year ago.

Mr. TOWER. I shall be delighted to answer that question if the Senator from Florida will yield.

Mr. SMATHERS. I yield.

Mr. TOWER. I voted against the bill last year because I believed that our expenditures should not exceed our receipts. If we were to bring up a tax cut bill today and appeared to be undetermined in disciplining ourselves to cut taxes, I would vote against it again. But the reason I wish to give relief is that the taxpayers are victims of a mistake which we have made. I do not see the point of putting money into the economy and then taking it out of circulation by a punitive situation which arises from underwithholding.

Mr. LAUSCHE. Mr. President, will the Senator from Florida yield?

Mr. SMATHERS. I am glad to yield to the Senator from Ohio.

Mr. LAUSCHE. In the colloquy which is taking place, has there been any indication made of the estimated number of taxpayers who now find themselves in distress financially because of the $11.5 billion tax cut.

Mr. TOWER. If I may answer the Senator from Ohio.

Mr. LAUSCHE. I am glad to yield to the Senator from Texas for that purpose.

Mr. TOWER. I believe that the Internal Revenue Service would be hard put to determine the number. It is an intangible number, it is difficult to determine.

Mr. SMATHERS. Let me answer the question by asserting that the distinguished counsel of the committee who sits beside me now, tells me that there is no way in which the Internal Revenue Service can know that number, which is exactly what the Senator from Texas has just said.

Mr. LAUSCHE. I read in the newspapers that small loan companies are offering to distressed taxpayers who are supposed to be benefited by the $11.5 billion tax cut loans with which to pay their income taxes. I suppose these loans will be made on the usual usurious basis upon which small loan companies operate. Will one or the other of the two Senators from Florida and Texas answer that question for me as to taxpayers now being driven to the small loan companies who charge 2 percent or 3 percent a month to borrow from them.

Mr. SMATHERS. I can answer the Senator's question for him by saying of course that is not quite the case because small loan companies, as the able Senator knows, charge 12 percent interest—sometimes it goes as high as 42 percent. Actually, according to the statement issued by the Internal Revenue Commissioner, taxpayers will be given a reasonable period of time in which to work out the payment of their income taxes. They will be charged 6 percent interest a year, which is one-half of 1 percent per month.

Mr. LAUSCHE. Is it or is it not a fact instead of bringing good, the $11½ billion tax return to a large number of people has brought distress, because they cannot now pay the taxes which are due as a result of not withholding adequate amounts from their salaries?

Mr. SMATHERS. The reductions which they received during the year are already greater than any additional tax which they will have to pay. I could not agree with the Senator from Ohio at all. On the contrary—this is not an allied point, and I do not want to become involved in it—I believe that the $11.5 billion tax cut has been a great boon not only to the general economy, but also to the individuals who make up the economy.

Mr. LAUSCHE. I believe the tax cut has been a boon. It has brought about expanded business. However, the time has not yet come when the accounting must be made. That time is partly here for many who cannot pay the taxes that are due. It strikes me that this is the first evidence of what we can expect at a later date, when eventually there will be the second prejudicial consequence of the $11.5 billion tax cut.

I voted against the tax reduction. I voted against it because I believed it was a political sop. I believed that eventually there would be a day of accounting. We shall find that we cannot keep cutting taxes and at the same time spend more and more money and be faced with a $300 billion debt and a deficit each year of $8 billion and $10 billion.

The people were told: "Go out and spend all the taxes we have relieved you of paying. It will stimulate the economy."

That is what, in effect, they were told. These people did it. Now they are begging for help from the Government.

Unless there is evidence that the Internal Revenue Service contemplates dealing fairly and reasonably with distressed taxpayers, the Tower amendment ought to be adopted.

I should like again to hear from the Senator from Florida what the Government intends to do for those citizens.

Mr. SMATHERS. The Internal Revenue Service asks the people to come to talk with them. It says that if there has been a misunderstanding, it will help. First, I believe we should understand that the tax cut came in two steps, one in 1964 and the other in 1965. The Government underwithheld in 1964. At that time, the tax people warned employers to be on notice that this situation was likely to result.

Many of the employers corrected the situation, and withheld the proper amount. We have no problem there at all. The Internal Revenue Service now says to those people that if they did not understand the situation they should come in to discuss the problem, and see if there is some solution. They say, "Come in and see us, and we will give you a reasonable time in which you can make up your tax payment. We will charge you the regular rate of one-half of 1 percent a month." That is less than the average taxpayer would have to pay to get the money anywhere else.

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

Mr. SMATHERS. I yield.

Mr. FULBRIGHT. Mr. President, I should like to ask the Senator from Florida whether it is not true that inasmuch as the pending bill, S. 693, is a Foreign Agents Registration Act, and not a revenue act, and has been reported by the Committee on Foreign Relations, the bill has absolutely nothing to do with the tax situation. If the Tower amendment is added to the bill, the House, under its customary procedure, on constitutional grounds, will absolutely refuse to receive the bill, and the bill will be returned to the Senate or thrown in the wastebasket; therefore, this is a completely wrong way to go about achieving the purpose under discussion. Is that not correct?

Mr. SMATHERS. I completely agree with the Senator from Arkansas.

Mr. FULBRIGHT. To propose it to this kind of bill is wholly inappropriate and is not the proper way to achieve the purpose, assuming the purpose is a good one.

Mr. SMATHERS. The Senator is correct.

Mr. FULBRIGHT. Why are we wasting time on it? Why does not the Senator from Florida move to table the amendment? There is no purpose to be served by proceeding with it. The bill under consideration was passed by the Senate last year. It is a noncontroversial bill. The House will not accept the bill if we add the Tower amendment to it. Under its normal procedure, the House will reject it. I believe their principle is that they will not even receive such a bill. I wonder why the Senator does not move to table the amendment.

Mr. SMATHERS. I had said earlier that I would make a motion to table at the most propitious time and after the proponents and the opponents of the amendment had had an opportunity to make their statements.

I believe that moment has arrived. Therefore, I move to table the Tower amendment.

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded.

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

Mr. TOWER. I ask for the yeas and nays on the motion to table.

The yeas and nays were ordered.

Mr. ALLOTT. Mr. President, will the Chair state the question?

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida [Mr. SMATHERS] to table the amendment offered by the Senator from Texas [Mr. TOWER].

The yeas and nays having been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD (when his name was called). On this vote I have a pair with the distinguished Senator from Arizona [Mr. FANNIN]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. MANSFIELD. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Virginia [Mr. BYRD], the Senator from Connecticut [Mr. DODD], the Senator from North Carolina [Mr. ERVIN], the Senator from Tennessee [Mr. GORE], the Senator from Alaska [Mr. GRUENING], the Senator from Indiana [Mr. HARTKE], the Senator from Alabama [Mr. HILL], the Senator from Missouri [Mr. LONG], the Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senator from Utah [Mr. MOSS], the Senator from Rhode Island [Mr. PASTORE], the Senator from Virginia [Mr. ROBERTSON], the Senator from Missouri [Mr. SYMINGTON], and the Senator from Texas [Mr. YARBOROUGH] are absent on official business.

I also announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Michigan [Mr. HART], the Senator from South Carolina [Mr. JOHNSTON],

the Senator from New Hampshire [Mr. McINTYRE], the Senator from Wisconsin [Mr. NELSON], the Senator from Georgia [Mr. RUSSELL], the Senator from Alabama [Mr. SPARKMAN], the Senator from Maryland [Mr. TYDINGS], and the Senator from New Jersey [Mr. WILLIAMS] are necessarily absent.

I further announce that, if present and voting, the Senator from Connecticut [Mr. DODD], the Senator from North Carolina [Mr. ERVIN], the Senator from Rhode Island [Mr. PASTORE], the Senator from Maryland [Mr. TYDINGS], and the Senator from North Dakota [Mr. BURDICK] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Delaware [Mr. BOGGS], the Senator from New York [Mr. JAVITS], and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

The Senator from Kansas [Mr. PEARSON] is absent on official business.

The Senator from New Jersey [Mr. CASE], the Senator from Arizona [Mr. FANNIN], and the Senator from Wyoming [Mr. SIMPSON] are detained on official business.

The pair of the Senator from Arizona [Mr. FANNIN] has been previously announced.

If present and voting, the Senator from Utah [Mr. BENNETT], the Senator from Dalaware [Mr. BOGGS], the Senator from New Jersey [Mr. CASE], the Senator from Kansas [Mr. PEARSON], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from Wyoming [Mr. SIMPSON] would each vote "nay."

The result was announced—yeas 37, nays 29, as follows:

[No. 41 Leg.]

YEAS—37

Anderson	Holland	Monroney
Bartlett	Inouye	Montoya
Bass	Jackson	Muskie
Bayh	Jordan, N.C.	Neuberger
Bible	Kennedy, Mass.	Pell
Brewster	Kennedy, N.Y.	Proxmire
Byrd, W. Va.	McCarthy	Ribicoff
Cannon	McClellan	Smathers
Church	McGee	Stennis
Clark	McGovern	Talmadge
Fulbright	McNamara	Young, Ohio
Harris	Metcalf	
Hayden	Mondale	

NAYS—29

Aiken	Fong	Murphy
Allott	Hickenlooper	Prouty
Carlson	Hruska	Randolph
Cooper	Jordan, Idaho	Scott
Cotton	Kuchel	Smith
Curtis	Lausche	Thurmond
Dirksen	Miller	Tower
Dominick	Morse	Williams, Del.
Douglas	Morton	Young, N. Dak.
Ellender	Mundt	

NOT VOTING—34

Bennett	Hartke	Pearson
Boggs	Hill	Robertson
Burdick	Javits	Russell
Byrd, Va.	Johnston	Saltonstall
Case	Long, Mo.	Simpson
Dodd	Long, La.	Sparkman
Eastland	Magnuson	Symington
Ervin	Mansfield	Tydings
Fannin	McIntyre	Williams, N.J.
Gore	Moss	Yarborough
Gruening	Nelson	
Hart	Pastore	

So Mr. SMATHERS' motion to table the amendment of Mr. TOWER was agreed to.

The VICE PRESIDENT. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

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

The VICE PRESIDENT. The bill having been read the third time, the question is, Shall it pass?

The bill (S. 693) was passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of the Foreign Agents Registration Act of 1938, as amended, is amended as follows:

(1) Subsection (b) is amended to read as follows:

"(b) The term 'foreign principal' includes—

"(1) a government of a foreign country and a foreign political party;

"(2) a person outside of the United States, unless it is established that such person is an individual and a citizen of and domiciled within the United States, or that such person is not an individual and is organized under or created by the laws of the United States or of any State or other place subject to the jurisdiction of the United States and has it principal place of business within the United States; and

"(3) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country."

(2) Subsection (c) is amended to read as follows:

"(c) Except as provided in subsection (d) hereof, the term 'agent of a foreign principal' means—

"(1) any person who acts as an agent, representative, employee, or servant, or any person who acts in any other capacity at the order, request, or under the direction or control, of a foreign principal or of a person any of whose activities are directly or indirectly supervised, directed, controlled, financed, or subsidized in whole or in major part by a foreign principal, and who directly or through any other person—

"(i) engages within the United States in political activities for or in the interests of such foreign principal;

"(ii) acts within the United States as a public relations counsel, publicity agent, information-service employee or political consultant for or in the interests of such foreign principal;

"(iii) within the United States solicits, collects, disburses, or dispenses contributions, loans, money, or other things of value for or in the interest of such foreign principal; or

"(iv) within the United States represents the interests of such foreign principal before any agency or official of the Government of the United States; and

"(2) any person who agrees, consents, assumes or purports to act as, or who is or holds himself out to be, whether or not pursuant to contractual relationship, an agent of a foreign principal as defined in clause (1) of this subsection."

(3) Subsection (d) is amended by striking out "clause (1), (2), or (4) of".

(4) Subsection (g) is amended by inserting before the words "matter pertaining to" the words "public relations" and before the semicolon at the end thereof the words "of such principal".

(5) Such section is further amended by substituting a semicolon for the period at the end of subsection (n) and adding the following new subsections:

"(o) The term 'political activities' means the dissemination of political propaganda and any other activity which the person engaging therein believes will, or which he intends to, prevail upon, indoctrinate, convert, induce, persuade, or in any other way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party;

"(p) The term 'political consultant' means any person who engages in informing or advising any other person with reference to the domestic or foreign policies of the United States or the political or public interests, policies, or relations of a foreign country or of a foreign political party."

SEC. 2. Section 2 of such Act is amended as follows:

(1) Subsection (a) is amended by striking out the second, third, and fourth sentences and inserting in lieu thereof the following: "Except as hereinafter provided, every person who becomes an agent of a foreign principal shall, within ten days thereafter, file with the Attorney General, in duplicate, a registration statement, under oath on a form prescribed by the Attorney General. The obligation of an agent of a foreign principal to file a registration statement shall, after the tenth day of his becoming such agent, continue from day to day, and termination of such status shall not relieve such agent from his obligation to file a registration statement for the period during which he was an agent of a foreign principal."

(2) Subsection (a)(3) is amended by striking out the comma following the word "each" where it first appears, and the following: "unless, and to the extent, this requirement is waived in writing by the Attorney General"; and by inserting before the semicolon at the end of the subsection a comma and the following: "or by any other foreign principal".

(3) Subsection (a)(4) is amended by inserting before the semicolon at the end thereof a comma and the following: "including a detailed statement of any such activity which is a political activity".

(4) Subsection (a)(6) is amended by inserting before the semicolon at the end thereof a comma and the following: "including a detailed statement of any such activity which is a political activity".

(5) Subsection (a)(7) is amended to read as follows:

"(7) The name, business, and residence addresses, and if an individual, the nationality, of any person other than a foreign principal for whom the registrant is acting, assuming or purporting to act or has agreed to act under such circumstances as require his registration hereunder; the extent to which each such person is supervised, directed, owned, controlled, financed, or subsidized, in whole or in part, by any government of a foreign country or foreign political party or by any other foreign principal; and the nature and amount of contributions, income, money, or thing of value, if any, that the registrant has received during the preceding sixty days from each such person in connection with any of the activities referred to in clause (6) of this subsection, either as compensation or for disbursement or otherwise, and the form and time of each such payment and from whom received;".

(6) Subsection (a)(8) is amended to read as follows:

"(8) A detailed statement of the money and other things of value spent or disposed of by the registrant during the preceding sixty days in furtherance of or in connection with activities which require his registration hereunder and which have been undertaken by him either as an agent of a foreign principal or for himself or any other person or in connection with any activities relating to his

becoming an agent of such principal, and a detailed statement of any contributions of money or other things of value made by him during the preceding sixty days (other than contributions the making of which is prohibited under the terms of section 613 of title 18, United States Code) in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office;".

(7) Such section is further amended by adding at the end thereof a new subsection as follows:

"(f) The Attorney General may, by regulation, provide for the exemption—

"(1) from registration, or from the requirement of furnishing any of the information required by this section, of any person who is listed as a partner, officer, director, or employee in the registration statement filed by an agent of a foreign principal under this Act, and

"(2) from the requirement of furnishing any of the information required by this section of any agent of a foreign principal,

where by reason of the nature of the functions or activities of such person the Attorney General, having due regard for the national security and the public interest, determines that such registration, or the furnishing of such information, as the case may be, is not necessary to carry out the purposes of this Act."

SEC. 3. (a) Section 3(d) of such Act is amended to read as follows:

"(d) Any person engaging or agreeing to engage only (1) in private and nonpolitical activities in furtherance of the bona fide trade or commerce of such foreign principal; or (2) in other activities not serving predominantly a foreign interest; or (3) in the soliciting or collecting of funds and contributions within the United States to be used only for medical aid and assistance, or for food and clothing to relieve human suffering if such solicitation or collection of funds and contributions is in accordance with and subject to the provisions of the Act of November 4, 1939, as amended (54 Stat. 4), and such rules and regulations as may be prescribed thereunder;".

(b) Section 3 of such Act is further amended by substituting a semicolon for the period at the end of subsection (f) and adding a new subsection as follows:

(g) Any attorney whose activities are confined to openly representing, as an attorney of record, the interests of a disclosed foreign principal before any court or administrative agency of the United States, or of any State or political subdivision thereof."

SEC. 4. Section 4 of such Act is amended as follows:

(1) Subsection (a) is amended by inserting after the words "political propaganda" the words "for or in the interests of such foreign principal"; and by striking out the words "sent to the Librarian of Congress two copies thereof and file with the Attorney General one copy thereof" and inserting in lieu thereof the words "file with the Attorney General two copies thereof".

(2) Subsection (b) is amended by inserting after the words "political propaganda" where they first appear the words "for or in the interests of such foreign principal"; by inserting after the words "setting forth" the words "the relationship or connection between the person transmitting the political propaganda or causing it to be transmitted and such propaganda;"; and by striking out the words "each of his foreign principals" and inserting in lieu thereof "such foreign principal".

(3) Subsection (c) is amended by striking out the words "sent to the Librarian of Congress" and inserting in lieu thereof the words "filed with the Attorney General".

(4) Such section is further amended by adding at the end thereof the following new subsections:

"(e) It shall be unlawful for any person within the United States who is an agent of a foreign principal required to register under the provisions of this Act to transmit, convey, or otherwise furnish to any agency or official of the Government (including a Member or committee of either House of Congress) for or in the interests of such foreign principal any political propaganda or to request from any such agency or official for or in the interests of such foreign principal any information or advice with respect to any matter pertaining to the political or public interests, policies or relations of a foreign country or of a political party or pertaining to the foreign or domestic policies of the United States unless the propaganda or the request is prefaced or accompanied by a true and accurate statement to the effect that such person is registered as an agent of such foreign principal under this Act.

"(f) Whenever any agent of a foreign principal required to register under this Act appears before any committee of Congress to testify for or in the interests of such foreign principal, he shall, at the time of such appearance, furnish the committee with a copy of his most recent registration statement filed with the Department of Justice as an agent of such foreign principal for inclusion in the records of the committee as part of his testimony."

SEC. 5. Section 5 of such Act is amended by inserting after "the provisions of this Act," where they first appear the words "in accordance with such business and accounting practices,".

SEC. 6. Section 6 of such Act is amended by inserting the letter "(a)" after the section number and by adding at the end thereof the following new subsections:

"(b) The Attorney General shall, promptly upon receipt, transmit one copy of every registration statement filed hereunder and one copy of every amendment or supplement thereto, and one copy of every item of political propaganda filed hereunder, to the Secretary of State for such comment and use as the Secretary of State may determine to be appropriate from the point of view of the foreign relations of the United States. Failure of the Attorney General so to transmit such copy shall not be a bar to prosecution under this Act.

"(c) The Attorney General is authorized to furnish to departments and agencies in the executive branch and committees of the Congress such information obtained by him in the administration of this Act, including the names of registrants under this Act, copies of registration statements, or parts thereof, copies of political propaganda, or other documents or information filed under this Act, as may be appropriate in the light of the purposes of this Act."

SEC. 7. Section 8 of such Act is amended as follows:

(1) Subsection (a) is amended by adding before the period at the end of paragraph (2) a comma and the following: "except that in the case of a violation of subsection (b), (e), or (f) of section 4 or of subsection (g) or (h) of this section the punishment shall be a fine of not more than $5,000 or imprisonment for not more than six months, or both".

(2) Such section is further amended by adding at the end thereof the following new subsections:

"(f) Whenever in the judgment of the Attorney General any person is engaged in or about to engage in any acts which constitute or will constitute a violation of any provision of this Act, or regulations issued thereunder, or whenever any agent of a foreign principal fails to comply with any of the provisions of this Act or the regulations issued thereunder, or otherwise is in violation of the Act, the Attorney General may make application to the appropriate United States district court for an order enjoining such acts or enjoining such person from continuing to act as an agent of such foreign principal, or for an order requiring compliance with any appropriate provision of the Act or regulation thereunder. The district court shall have jurisdiction and authority to issue a temporary or permanent injunction, restraining order or such other order which it may deem proper. The proceedings shall be made a preferred cause and shall be expedited in every way.

"(g) If the Attorney General determines that a registration statement does not comply with the requirements of this Act or the regulations issued thereunder, he shall so notify the registrant in writing, specifying in what respects the statement is deficient. It shall be unlawful for any person to act as an agent of a foreign principal at any time ten days or more after receipt of such notification without filing an amended registration statement in full compliance with the requirements of this Act and the regulations issued thereunder.

"(h) It shall be unlawful for any agent of a foreign principal required to register under this Act to be a party to any contract, agreement, or understanding, either express or implied, with such foreign principal pursuant to which the amount or payment of the compensation, fee, or other remuneration of such agent is contingent in whole or in part upon the success of any political activities carried on by such agent."

SEC. 8. (a) Chapter 29 of title 18, United States Code, is amended by adding at the end thereof a new section as follows:

"§ 613. Contributions by agents of foreign principals

"Whoever, being an agent of a foreign principal, directly or through any other person, either for or on behalf of such foreign principal or otherwise in his capacity as agent of such foreign principal, knowingly makes any contribution of money or other thing of value, or promises expressly or impliedly to make such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or

"Whoever knowingly solicits, accepts, or receives any such contribution from any such agent of a foreign principal or from such foreign principal—

"Shall be fined not more than $5,000 or imprisoned not more than five years or both.

"As used in this section—

"(1) The term 'foreign principal' has the same meaning as when used in the Foreign Agents Registration Act of 1938, as amended, except that such term does not include any person who is a citizen of the United States.

"(2) The term 'agent of a foreign principal' means any person who acts as an agent, representative, employee, or servant, or any person who acts in any other capacity at the order, request, or under the direction or control, of a foreign principal or of a person any substantial portion of whose activities are directly or indirectly supervised, directed, or controlled by a foreign principal."

(b) Chapter 11 of title 18, United States Code, is amended by adding at the end thereof a new section as follows:

"§ 219. Officers and employees acting as agents of foreign principals

"Whoever, being an officer or employee of the United States in the executive, legislative, or judicial branch of the Government or in any agency of the United States, including the District of Columbia, is or acts as an agent of a foreign principal required to

register under the Foreign Agents Registration Act of 1938, as amended, shall be fined not more than $10,000 or imprisoned for not more than two years, or both.

"Nothing in this section shall apply to the employment of any agent of a foreign principal as a special Government employee in any case in which the head of the employing agency certifies that such employment is required in the national interest. A copy of any certification under this paragraph shall be forwarded by the head of such agency to the Attorney General who shall cause the same to be filed with the registration statement and other documents filed by such agent, and made available for public inspection in accordance with section 6 of the Foreign Agents Registration Act of 1938, as amended."

(c) (1) The sectional analysis at the beginning of chapter 29 of title 18, United States Code, is amended by adding at the end thereof the following new item:

"613. Contributions by agents of foreign principals."

(2) The sectional analysis at the beginning of chapter 11 of title 18, United States Code, is amended by adding at the end thereof the following new item:

"219. Officers and employees acting as agents of foreign principals."

SEC. 9. This Act shall take effect ninety days after the date of its enactment.

Mr. MANSFIELD. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. SMATHERS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

FOOD AND AGRICULTURE ACT OF 1965

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a draft of proposed legislation to maintain farm income, to stabilize prices and assure adequate supplies of agricultural commodities, to reduce surpluses, lower Government costs and promote foreign trade, to afford greater economic opportunity in rural areas, and for other purposes, which, with the accompanying papers, was referred to the Committee on Agriculture and Forestry.

ACREAGE-POUNDAGE MARKETING QUOTAS FOR TOBACCO

Mr. SMATHERS. Mr. President, I move that the Senate proceed to the consideration of H.R. 5721, Calendar No. 135, the tobacco acreage-poundage bill.

The VICE PRESIDENT. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 5721) to amend the Agricultural Adjustment Act of 1938, as amended, to provide for acreage-poundage marketing quotas for tobacco, to amend the tobacco price support provisions of the Agricultural Act of 1949, as amended, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to; and the Senate proceeded to consider the bill which had been reported from the Committee on Agriculture and Forestry with amendments on page 2, line 8, after the word "of", to strike out "excessive supplies in order to achieve the policy of the Act" and insert "supplies to the reserve supply level. Any such downward adjustment shall not exceed 10 per centum of such estimated utilization and exports"; on page 3, line 10, after the word "reserve.", to insert "In determining farm acreage allotments for Flue-cured tobacco for 1965, the 1965 farm allotment determined under section 313 shall be adjusted in lieu of the acreage allotment for the immediately preceding year."; on page 4, line 2, after the word "in", to strike out "like manner, except that the five most recent crop years for which data are available shall be used instead of the period 1959 to 1963" and insert "the same manner"; in line 11, after the word "be", to strike out "the sum of 75 per centum of the average of the three highest years and 25 per centum of the national average yield goal but not less than"; on page 5, line 9, after "(6)", to strike out "except that in lieu of the five consecutive crop years beginning with 1959 the five most recent crop years for which data are available for the kind of tobacco shall be used"; on page 8, line 25, after the word "within", to strike out "thirty" and insert "forty-five"; on page 9, line 19, after the word "period.", to insert "If marketing quotas on an acreage-poundage basis are not approved by more than 66⅔ per centum of the farmers voting in such referendum, the marketing quotas on an acreage basis shall continue in effect as theretofore proclaimed under section 312(a)."; on page 11, line 2, after the word "under", to strike out "subsections (b) or (c) or a referendum on acreage poundage quotas under this subsection" and insert "subsection (b) or a referendum on acreage-poundage quotas under this subsection, and at least 15 days prior to the holding of any special referendum under subsection (c)." "; on page 12, at the beginning of line 18, to insert "and shall not exceed the community average yield"; on page 13, line 15, after the word "may", to insert "(except in the case of Burley tobacco, or other kinds of tobacco not subject to section 316)"; in line 23, after the word "transferred.", to insert "Transfers of acreage allotments for 1965 under section 316 on the basis of leases executed prior to the effective date of a program for the 1965 crop of Flue-cured tobacco under this section may be approved or ratified by the county committee for the purposes of this section, but the amount of allotment transferred shall be increased or decreased in the same proportion that the allotment of the farm from which it is transferred is increased or decreased under this section."; on page 14, line 12, after the word "per centum", to insert "(120 per centum in the case of Burley tobacco)"; on page 16, line 2, after the word "be", to strike out "applicable," " and insert "applicable."; after line 2, to insert:

(h) Notwithstanding any other provision of this section, for any year subsequent to the first year for which marketing quotas are made effective under this section for Burley tobacco—

(1) the farm acreage allotment for Burley tobacco under this section shall not be less than the smallest of (A) the acreage allotment established for the farm for such first year, (B) the acreage allotment established for such first year for a farm which had an acreage allotment of five-tenths of an acre for the year preceding such first year, or (C) 10 per centum of the cropland; and

(2) the farm marketing quota for Burley tobacco under this section shall not be less than the minimum allotment provided by clause (1) multiplied by the farm yield established for such first year for such farm.

Farm acreage allotments and marketing quotas to which the provisions of (1) and (2) are applicable shall be subject to adjustment for overmarketing or undermarketing or reductions required by subsection (f). The additional acreage and quotas required under this subsection shall be in addition to the national acreage allotment and national marketing quota.

(i) If an acreage-poundage program for Flue-cured tobacco is approved by growers voting in the special referendum under subsection (b), the Secretary shall not later than January 1, 1966—

(1) Consult with representatives of all segments of the tobacco industry, including growers, State farm organizations, and cooperative associations, in meetings held for each kind of tobacco, to receive their recommendations and to determine the need for a similar or modified program for that kind of tobacco.

(2) Conduct a study and report to the House Committee on Agriculture and the Senate Committee on Agriculture and Forestry on experience with and operation of the program, and make recommendations for any modifications needed to improve the program, including alternatives adapted to the different needs of other kinds of tobacco.

And, on page 18, at the beginning of line 4, to insert "(120 per centum in the case of Burley tobacco)".

Mr. JORDAN of North Carolina. Mr. President, the tobacco program has often been referred to as the most successful farm program we have. For many years the present acreage allotment program for tobacco worked reasonably well in maintaining supplies in line with demand. Prices received by tobacco growers have been favorable. Costs to the Government for price supports on tobacco have been held to a minimum. In fact, for many years, price supports on tobacco operated with no costs at all to the Government. For a number of years, the steadily increasing demand for tobacco used in the manufacture of cigarettes tended to offset increased per acre yields. Also, prices trended upward, enabling the producer associations operating the support program to dispose of their holdings at prices which would enable them to repay their loans from CCC.

As a matter of fact, since 1933 the price support program costs to the Government amount to only $39 million. On the other hand, since 1950 alone the taxes collected by Federal, State, and local governments amount to over $39 billion.

In recent years, however, excessive supplies of tobacco have accumulated because of accelerated increases in per acre yields on some kinds of tobacco, especially for Flue-cured and burley—which account for about nine-tenths of our total tobacco production. During the 5 years, 1954–58, Flue-cured tobacco yields average 1,509 pounds per acre. In 1964, Flue-cured yields are estimated to have

averaged 2,203 pounds per acre, an increase of 46 percent. Similarly, the 1964 crop of Flue-cured tobacco was 5 percent larger than the 1954 crop, notwithstanding the fact that the acreage grown in 1964 was 40 percent less than the 1954 acreage.

The burley story is quite similar. Burley yields averaged 1,579 pounds per acre in 1954–58, but increased to an all-time high of 2,231 pounds per acre in 1963. Unfavorable weather conditions prevailed in parts of the burley-producing area in 1964 but yields still averaged over 2,000 pounds per acre—second only to the 1963 record.

It is clear that we have by no means reached the limit in yields per acre. Research conducted by both the Department and by the land-grant colleges clearly shows that further increases in per-acre yields are readily obtainable. The records of individual farm marketings which are maintained in the county ASCS offices disclose numerous instances of yields as high as 3,500 pounds per acre, with some running even higher.

With increased yields per acre, the quality of U.S. grown tobacco has deteriorated and we have lost more of the export market for our tobacco. All tobacco offered for sale on auction markets is graded by trained Federal graders. During the 5 years, 1946–50, 31.1 percent of Flue-cured tobacco marketed in the United States was placed in first, second, and third qualities by USDA inspectors. During the 5 years, 1956–60, only 14.4 percent was placed in the first three qualities. For the 1962 crop, only 10.3 percent, or about one-third as much as in 1946–50, was graded into the first, second, and third qualities. Since Government grade standards for Flue-cured tobacco were substantially revised in 1963, comparable data for the 1963 and 1964 crops are not available.

Tobacco grown in the United States over the years has been noted for its superior quality. It has been the hallmark of quality in world tobacco trade. Historically, there has been a strong consumer preference for tobacco products made from U.S. leaf. High-quality cigarettes in most countries of the world have been made solely from U.S. leaf or blends of U.S. leaf with domestic or other imported leaf.

The United States has the soil, climate, research program, and know-how to produce tobacco far superior in quality to that produced in any other area of the world. U.S. leaf has excelled in nearly all phases of smoking and manufacturing qualities, including flavor and aroma.

Flue-cured tobacco has become of increasing importance in world tobacco trade since the end of World War II, and now accounts for around 50 percent of all free world tobacco exports of leaf tobacco. In spite of increased demand for Flue-cured from world markets, the U.S. export level has remained relatively constant at about 450 million pounds annually. During this period, our competitors have been moving larger and larger quantities into world trade.

In 1950–54, an average of about 670 million pounds of Flue-cured tobacco moved from free-world countries. Of this total, the U.S. share was about 66 percent. During 1955–59, when an average of nearly 780 million pounds were being exported by free-world countries, the U.S. share was 60 percent—a drop of 6 percent in that short period of time.

For 1960–64, the U.S. share was only a little over 50 percent, and based on preliminary data, the U.S. share in 1964 was only 45 percent.

Recognizing that unless some remedial action were taken, the National Tobacco Industry Advisory Committee, which, incidentally, is a 44-member group, representing all types of tobacco and all segments of the industry, formed specifically to advise the Secretary of Agriculture on tobacco matters, at its meeting during the period November 18 and 19, 1964, set up a task force to study the problem. Members of the task force were chosen from the Advisory Committee, land-grant colleges, and the U.S. Department of Agriculture.

A report was prepared and on January 15, 1965, the National Advisory Committee met to consider it.

The report of the task force dealt primarily with a proposal to stabilize production of tobacco by means of an acreage-poundage program. An acreage-poundage program would continue acreage allotments, and in addition apportion poundage quotas among growers. This would provide more effective adjustment of supplies in line with demand, and would provide greater incentive for quality improvement—an essential prerequisite if exports are to be expanded. The Advisory Committee thoroughly discussed the principal features of the proposed acreage-poundage program and unanimously recommended that the Department of Agriculture adopt this approach to the problem of stabilizing tobacco production. It was recognized that legislative authority was necessary before further steps could be taken.

The President, in part of his agricultural message to Congress on February 4, 1965, stated:

> The tobacco program must also be reappraised this year. Yield increases, higher Government costs, deterioration in quality, and loss of foreign markets have weakened what has been a highly successful program.
>
> Legislation is needed to authorize production and marketing limits on an acreage-poundage basis. Consideration should also be given to revisions in our programs which will make American tobacco more competitive in world markets.

Mr. President, I refer to the President's message to Congress on agriculture. Legislation authorizing the establishment of an acreage-poundage program for tobacco was introduced in both the Senate and House of Representatives. Hearings on this legislation have been held in Washington, and also in the Flue-cured tobacco producing areas—Flue-cured tobacco is the only kind of tobacco that would be affected in the 1965 crop year if the proposed legislation becomes law. The Under Secretary of Agriculture testified in favor of the proposed legislation authorizing an acreage-poundage program for tobacco at hearings held by the Senate and the House Agriculture Committee on February 9 and 11, respectively.

On March 23, 1965, H.R. 5721, a bill to provide for acreage-poundage marketing quotas for tobacco, and for other purposes, was passed by the House of Representatives and the bill in an amended form is now before the Senate.

The computation of acreage-poundage quotas is as follows:

Whenever acreage-poundage quotas are proclaimed, the Secretary would announce a national marketing quota equal to the amount to be utilized in the United States and exported during the marketing year, adjusted up or down as needed to maintain an adequate supply or to reduce supplies to the reserve supply level. The downward adjustment could not exceed 10 percent of such utilization and exports. The national quota would be apportioned in the following manner:

First. The national quota would be converted to a national acreage allotment on the basis of a "national average yield goal"—a yield which on a national average basis will improve or insure the usability of the tobacco and increase the net return per pound.

That means that the tobacco they would grow would be of better quality and bring a better price in the market.

Second. Farm acreage allotments would be established by adjusting the farm acreage allotments for the preceding year uniformly so that the total of the new allotments equals the new national acreage allotment—less a reserve of not to exceed 1 percent, which would be used to provide allotments for new farms and to correct errors and inequities.

Mr. President, in working with any of these formulas, there is always some error made in computation of inequities. Some new farms come into existence. The 1 percent was included here to take care of that problem.

I should also like to add at this particular point that a situation has been called to my attention by one or two farmers and there are probably several others—who this year bought new farms that they had never farmed before. However, the farms had tobacco allotments on them. Sometimes the farmer who had owned the farm was not a very good farmer, or for some reason or other, did not fertilize properly or do a great many of the things that should have been done to insure an average yield that would be in line with the yield of his neighbors for the same quality of land.

I envision that this 1 percent could be used in terms of raising the allotment already made for the acreage, or perhaps a little extra acreage may be granted so that the production of the land would be in accordance with the average yield.

I hope the 1 percent will be used to work out the problem. There would be an inequity in the case of a farmer who had acquired a piece of land which he had not farmed himself, but which land did have an allotment on it.

Third. Actual adjusted yield figures would be determined for each farm and adjusted proportionately so that the final adjusted yield figures for old farms multiplied by their acreage allotments would equal the national marketing quota.

These yield figures are prepared as follows:

First. A "preliminary farm yield" is determined. This is the average yield for the farm for the 3 highest years of the 5 years 1959–63—which is fair for the farmer—but not more than 120 percent of the community average yield or less than 80 percent of the community average yield.

Mr. President, that is an important phase of this particular piece of legislation. A farmer who did a good, high-grade, efficient job of farming could produce up to 120 percent of the yield average without being penalized. He could sell the crop, and an adjustment would be made in the following years. He would not be penalized in any way in the first year under this provision. If a farmer in that area were to produce less than 80 percent of his average yield, his allotment could be raised so that it could be equitable to that of like farms in the surrounding territory.

The bill was originally proposed on a county basis. We realized after hearings that a county basis was not entirely fair. We found some counties that had very fine soil in one end of the county and at the other end of the county they would possibly not have as good soil. There would be a vast difference in the poundage ratio in the acreage from one end of the county to the other.

Some counties are from 30 to 40 miles long. There could be a vast difference in the amount of rainfall. It was determined that this bill should be based on a smaller area, which would certainly be more fair to all the farmers in that area.

The community average yield is an average of the community yields for the 3 highest years of the 5 years 1959–63, but if the yield for any of the 3 highest years is less than 80 percent of the 3-year average, that year or years is eliminated from the computation of the average.

The reason that provision was placed in the bill is that there have been a great many cases in which an area was declared to be a disaster area. This has occurred in the case of any crop produced, regardless of whether it is tobacco or some other crop. Sometimes there is a severe drought, a hurricane that destroys the crop, or there is exceptionally wet weather. Many things could happen. This provision would allow the farmers to figure their yield on a 3-year average. This would be equitable and fair to the producer, which is what the bill is designed to do all the way through.

Special provisions are made for counties with less than 500 acres of tobacco and farms with inadequate history. A county that has less than 500 acres of tobacco would be treated separately. That would be a very small acreage for that territory.

Second. The preliminary farm yield for each farm is multiplied by its allotment, and the products thus obtained for all old farms are totaled and divided by the national acreage allotment to obtain a weighted national average yield.

Third. The national average yield goal is divided by the weighted national average yield to obtain a national yield factor.

Fourth. The preliminary farm yield is multiplied by the national yield factor to determine the farm yield.

Finally, the farm yield thus obtained is multiplied by the acreage allotment to determine the farm marketing quota. If marketing quotas on an acreage-poundage basis were in effect for the preceding crop and the full quota for the preceding crop was not marketed, the current quota would be increased by the amount of the preceding quota which was not marketed, such increase not to exceed 100 percent.

I wish to elaborate on the particular phase of the problem to which I have just referred. As I said a while ago, there are cases—not numerous, I am glad to say, but there are cases—in which a disaster hits a particular farm. Perhaps the farmer's total crop is destroyed. That has happened. If that were the case, he could pick up all of that loss of yield and market it the next year without any penalties. In other words, if he suffered a penalty through an act of nature or something over which he had no control whatsoever, he would be protected. If he lost half of his crop, he could market 50 percent of it the next year, but in no case over 100 percent. He could not market 250 percent if he lost 100 percent.

If the preceding quota was exceeded, the current quota would be reduced by the amount of the excess, and if such excess exceeded the current quota, the balance of such excess would be deducted from the quota for the succeeding marketing year or years. In the case of Maryland tobacco and any other kind of tobacco for which the Secretary determines it impractical to make the adjustments for overmarketing and undermarketing in the year following such overmarketing or undermarketing, the adjustments would be made in the second succeeding year.

Under the existing law the entire production of the acreage allotment can be marketed without penalty. Under the bill the farm quota will be something less than what can be produced on the acreage allotment. Since the farmer will not be able to produce the exact amount of the farm quota and no more, the bill permits him to market 110 percent of his quota—120 percent in the case of burley—without penalty or loss of price support. The excess will, however, be deducted from his farm quota for the following year.

It has been said, and it will be argued here this afternoon, that the referendum is coming very close to the planting season. That is quite true. It is said that some of the farmers may produce the exact quantity allotted to them, or perhaps 105 percent or 110 percent. If a farmer does, he will be able to market it without penalty, but that amount will be deducted from next year's marketing. It will be 120 percent on burley, because there will be no vote on burley until next year, to determine whether it is needed. It will be up to the Secretary to determine whether it is needed.

Mr. President, we have reached the point where remedial action must be taken in the tobacco production program. If action—and effective action—is not taken, then we are going to see the complete destruction of the program.

What has happened in the past 4 years is a dramatic illustration of how tobacco surplus stocks have already increased to proportions all out of reason. On January 1, 1962, the Flue-cured Tobacco Stabilization Corporation held 449 million pounds of tobacco.

I hope my colleagues will listen to this particular figure, because it is very revealing. I repeat: On January 1, 1962, the Flue-cured Tobacco Stabilization Corp. held 449 million pounds of tobacco.

In 1963, the figure jumped to 583 million pounds. In 1964, it increased to 699 million pounds, and on January 1 of this year, the figure had soared to 970 million pounds.

That is only a little short of 1 billion pounds of tobacco in excess of what we need.

In the short period of just 4 years, surplus stocks more than doubled. All of this is true in spite of the fact we have taken acreage reductions in the meantime.

We cannot allow this trend to continue if we expect to provide farmers with price supports for tobacco.

Mr. President, if price supports are taken away from tobacco, it will destroy the tobacco farmer and the economies of the regions where tobacco is grown.

Unless we establish an effective system of production controls, we can expect surplus stocks to increase in the future.

The bill we are now considering, H.R. 5721, will bring about effective controls and allow us to begin working off the surplus stocks in an orderly fashion.

The pending bill is designed to hold our production in line with what we consume at home and sell abroad, and, in addition, to try to work the 1-billion-pound surplus down, on the basis of about a 10-year program. That is approximately the aim of the pending bill. It is designed not to wreck the economies of the tobacco-growing areas of this country. It would not result in dumping a tremendous amount of tobacco on the market and thus destroy the price. Yet, at the same time, it is designed to reduce the surplus year by year.

Mr. President, the President of the United States, the Secretary of Agriculture, the National Advisory Committee, the House of Representatives, and the Senate Committee on Agriculture and Forestry all feel that the proposed bill will meet the challenge which now faces the entire tobacco industry. It is our hope and belief that the proposed program will work, and work well, to the benefit of tobacco producers. Their markets, both domestic and foreign, will be preserved—and more importantly, the price support benefits of the program will continue.

Following my remarks, Mr. President, I would like to insert in the RECORD the amendments adopted by the Senate committee and a section-by-section analysis of the bill.

Before doing so, however, I call attention to one amendment adopted by the committee. In all, we adopted 14 amendments to the House bill, most of which are technical in nature and deal largely with procedural problems.

The amendment to which I would like to call attention deals with the manner in which each individual farm allotment would be computed. Under the bill as approved by the House, individual farm quotas could exceed the average township or community yield by more than 120 percent. Under the formula in the House version, very little cutback in production would be required of those farmers who have engaged in excessively heavy production.

The Senate committee amendment would put an upward ceiling on all producers, and would limit their poundage quotas, based on past production, to 120 percent of the township or community yield. In other words, Mr. President, all farmers would be treated exactly alike on the formula, in excess of the quota or average yield which they have had in the past.

At this point, Mr. President, I ask unanimous consent that a description of the committee amendments and a section-by-section analysis of the bill be printed in the RECORD.

The PRESIDING OFFICER (Mr. MONTOYA in the chair). Without objection, it is so ordered.

The description and analysis are as follows:

COMMITTEE AMENDMENTS

The amendments recommended by the committee, which are generally of a technical nature, would—

1. Prevent downward adjustment of the national marketing quota under section 317(a) either (i) by more than 10 percent of estimated domestic consumption and exports, or (ii) so as to reduce supplies below the reserve supply level.

2. Provide for use of the 1965 (instead of 1964) farm acreage allotment in computing the 1965 Flue-cured farm acreage allotment for the purpose of the acreage-poundage quotas.

3. Provide that the "community average yield" shall be determined in the same manner and using the same base period for all kinds of tobacco.

4. Make 120 percent of the community average yield the upper limit on preliminary farm yields, striking out the alternative upper limit based on 75 percent of the farm yield and 25 percent of the national yield goal.

5. Provide for use of the same base period 1959–63 in determining preliminary farm yields for all kinds of tobacco.

6. Permit the Secretary to conduct the first referendum on acreage-poundage quotas for any kind of tobacco (except Flue-cured in 1965) as long as 45 days after proclamation of the quota.

7. Make it clear that quotas on an acreage continue in effect if quota on an acreage-poundage basis are disapproved under section 317(c).

8. Provide that insofar as practicable notices of farm marketing quotas shall be mailed at least 15 days prior to the first referendum on acreage-poundage quotas for any kind of tobacco (except Flue-cured in 1965).

9. Limit the farm yield for new tobacco farms to not more than the community average yield.

10. Make it clear that the bill does not grant authority for leasing allotments for burley or other tobacco not now covered by section 316.

11. Provide for increasing acreage allotments transferred prior to the date the acreage-poundage quotas become effective for 1965 in the same proportion that acreage allotments are increased for 1965 under the acreage-poundage provisions.

12. Provide that in the case of burley tobacco, the amount which may be marketed without penalty and be accorded price support shall be 120 (instead of 110) percent of the farm marketing quota.

13. Preserve the minimum allotments now provided for burley tobacco. Farms, at the present minimum when acreage-poundage quotas become effective could not have their allotments or quotas subsequently reduced below the allotments and quotas first established for them under the acreage-poundage system. Farms with allotments above the minimum when acreage-poundage quotas first become effective could not be reduced below farms which were then at the minimum.

14. Provides that if acreage-poundage quotas are approved for the 1965 Flue-cured crop, the Secretary will consult with representatives of the tobacco industry concerning each kind of tobacco, conduct a study, and report to the House Committee on Agriculture and the Senate Committee on Agriculture and Forestry, recommending any modifications needed to improve the program and adopt it to other kinds of tobacco.

SECTION-BY-SECTION ANALYSIS

Section 1: Section 1 adds a new section 317 to the Agricultural Adjustment Act of 1938, as amended. An analysis of section 317 follows:

Subsection (a) contains the definitions of "national marketing quota," "national average yield goal," "national acreage allotment," "farm acreage allotment," "community average yield," "preliminary farm yield," "farm yield," and "farm marketing quota." These definitions are necessary because some of the terms have not been heretofore used in the act and other terms have a different meaning under the program provided for in section 317 than they have under the tobacco programs now provided for in the act.

The committee has recommended several amendments to this section.

The definition of "national marketing quota" differs from the definition in the House bill in that the Secretary would not have authority to fix the quota below the amount needed to maintain supplies at the reserve supply level nor to determine the quota in an amount which represents more than a 10-percent reduction in the estimated domestic consumption and exports. The definition of "community average yield" provides for the use of the base period 1959–63 for all kinds of tobacco rather than for Flue-cured tobacco only as provided in the House bill. The definition of "preliminary farm yield" provides for reducing the average yield for the 3 highest years of the base period to 120 percent of the community average yield if the 3-year average is in excess of 120 percent of the community average yield. Under the House bill the reduction would be to a yield determined by adding 75 percent of the 3-year average to 25 percent of the national average yield goal but not below 120 percent of the community average yield. The base period of 1959–63 would be used in determining preliminary farm yields for all kinds of tobacco. In the House bill this base period is required to be used only for Flue-cured tobacco. In determining farm acreage allotments for Flue-cured tobacco for 1965, since allotments under the present program have been issued for 1965 those allotments would be adjusted instead of the allotments for the preceding year as will be the case for years after 1965.

Subsection (b) is designed to give Flue-cured tobacco growers an opportunity to vote on acreage-poundage quotas for 3 years beginning with the 1965 crop. The Secretary would be required within 30 days after the enactment of the bill into law to determine and announce the amount of the national marketing quota for Flue-cured tobacco for the marketing year beginning July 1, 1965, and the national acreage allotment and national average yield goal for the 1965 crop of Flue-cured tobacco in accordance with the provisions of this section. Within 30 days after the announcement of the national marketing quota the Secretary would be required to conduct a special referendum of farmers engaged in the production of Flue-cured tobacco of the 1964 crop to determine whether they favor or oppose the establishment of marketing quotas on an acreage-poundage basis as provided in section 317 for the marketing years beginning July 1, 1965, July 1, 1966, and July 1, 1967. If the Secretary determines that more than 66⅔ percent of the farmers voting in the special referendum approve marketing quotas on acreage-poundage basis then marketing quotas on an acreage-poundage basis would be in effect for the 3 marketing years and the marketing quotas for Flue-cured tobacco which are now in effect on an acreage basis would cease to be in effect beginning on July 1, 1965. If the Secretary determines that marketing quotas on an acreage-poundage basis were not approved by more than 66⅔ percent of the farmers voting in the special referendum, then no quotas on an acreage-poundage basis would be in effect and the marketing quotas on an acreage basis which have been previously proclaimed and received producer approval would remain in effect.

Subsection (c) contains the provisions for making effective marketing quotas for 3 marketing years on an acreage-poundage basis for any kind of tobacco, including Flue-cured tobacco. The Secretary can only proceed under the provisions of subsection (c) during the first or second marketing year of the 3-year period for which marketing quotas on an acreage basis are in effect for the kind of tobacco under consideration. It is the purpose of this provision to not leave the tobacco grower without a program if acreage-poundage quotas are not approved. If the Secretary, in his discretion, determines that acreage-poundage quotas under section 317 would result in a more effective marketing quota program for the kind of tobacco under consideration, he shall, at the time of the next announcement of the amount of the national marketing quota under section 312(b) of the act, also determine and announce the amount of the national quota for the kind of tobacco under the provisions of section 317 and at the same time announce the national acreage allotment and national average yield goal. Within 45 days thereafter he would conduct a special referendum of farmers engaged in the production of the kind of tobacco of the most recent crop, in order to determine whether they favor the establishment of marketing quotas on an acreage-poundage basis for the next 3 marketing years. If the Secretary determines that more than 66⅔ percent of the farmers voting in the special referendum approve marketing quotas on an acreage-poundage basis, quotas on that basis will be in effect for the next 3 marketing years and marketing quotas on a acreage basis shall cease to be in effect at the beginning of the first marketing year of the 3-year period. However, if he determines that the required number of farmers do not favor quotas on an acreage-poundage basis the marketing quotas on an acreage basis which have been proclaimed and received, the requisite farmer approval will not be affected.

Subsection (d) provides for the procedure to be followed if marketing quotas have been made effective for a kind of tobacco on an acreage-poundage basis. In the last year of the 3-year period the Secretary would proclaim a marketing quota for the next 3 succeeding marketing years and, in his discretion, would proclaim it either on an

acreage-poundage basis or an acreage-allotment basis, whichever he determines would result in a more effective marketing quota for that kind of tobacco. A referendum would then be conducted under the provisions of section 312(c) of the act and if the Secretary determined that more than one-third of the farmers voting opposed national marketing quotas, the national marketing quota so proclaimed would not be in effect. No marketing quotas of any kind would be in effect for the ensuing marketing year. However, marketing quotas on an acreage basis could be proclaimed in the ensuing marketing year for the 3 marketing years following the ensuing marketing year under the provisions of section 312(a)(4).

In a referendum held pursuant to subsection (c) insofar as practicable notice of the farm marketing quota for the first year affected by the referendum would be required to be mailed to the farm operator at least 15 days prior to the date of the referendum. In other cases the notices would be mailed insofar as practicable prior to the referendum but the target of 15 days' notice would not be applicable.

Subsection (e) provides that no farm acreage allotment or farm yield shall be established for a farm on which no tobacco was produced or considered produced under applicable provisions of law for the immediately preceding 5 years. However, provision is made for a reserve of 1 percent or less of the national acreage allotment to be available for making corrections of errors in farm acreage, adjusting inequities, and for establishing acreage allotments for new farms which are farms on which tobacco was not produced or considered produced during the immediately preceding 5 years.

The farm yield for a new farm would be determined on the basis of available productivity data for the land involved and the farm yield for similar farms but could not exceed the community average yield.

Subsection (f) provides that only the last two sentences of subsection (g) of section 313 of the act will apply to acreage-poundage programs. These two sentences contain provisions relating to false identification in the marketing of tobacco, the filing of false acreage reports, and the double cropping of tobacco. The provision with respect to filing false acreage reports is made applicable to the filing of false production or marketing reports. The subsection also provides that in transferring allotments under the eminent domain provisions of section 378 of the act increases or decreases in acreage allotments and farm yields on account of marketings below or in excess of the farm marketing quota for the farm acquired by the eminent domain agency will be taken into account. The leasing provisions of section 316 of the act are made applicable to the acreage-poundage program except that adjustments will be based on farm yields rather than normal yields and credit for undermarketing or charges for overmarketing shall be attributed to the farm to which the allotment is transferred under the leasing arrangement.

If an acreage-poundage program becomes effective for 1965 for Flue-cured tobacco, transfers based on leases executed prior to the effective date of the program would be recognized. However, the acreage transferred would be increased or decreased in the same proportion that the allotment for the farm from which the transfer is made is increased or decreased. This could result in a transfer for 1965 which would exceed the 5-acre or 50-percent-of-cropland limitation contained in section 316. The leasing provisions would not be extended to burley or any other kind of tobacco to which section 316 does not apply.

Subsection (g) provides that the penalty provisions of section 314 of the act shall apply to the acreage-poundage program, except that no penalty will be due or collected until 110 percent of the farm marketing quota has been marketed in the case of all kinds of tobacco except burley and 120 percent has been marketed in the case of burley, but thereafter each pound marketed in excess of the applicable percentage will be subject to the full penalty rate. Marketings in excess of 100 percent of the farm marketing quota will require a reduction in subsequent farm marketing quotas in accordance with paragraph (a)(8) of section 317. The Secretary is given discretionary authority to provide that grade N_2 tobacco or any grade of tobacco not eligible for price support may be marketed without penalty or deduction from subsequent quotas to the extent of 5 percent of the farm marketing quota for the farm on which the tobacco was produced. If under the acreage-poundage program any producer falsely identifies or fails to account for the disposition of any tobacco, the Secretary may elect to assess a penalty computed by multiplying the full penalty rate by an amount of tobacco equal to 25 percent of the farm marketing quota plus the farm yield of the number of acres harvested in excess of the farm acreage allotment. The penalty would be paid and remitted by the producer and would be in lieu of penalties based on actual marketings of excess tobacco. For the first year that a marketing quota program on an acreage-poundage basis is in effect the carryover provisions appearing in the fourth sentence of subsection (a) of section 314 would be amended by substituting "farm yield" for normal production. The carryover provisions of section 314 would not be applicable after the first year because of the provisions of subsection (a)(8) of section 317 which provides for an adjustment in the quota for overmarketings or undermarketings.

Subsection (h) provides for minimum farm acreage allotments and marketing quotas for old burley tobacco farms. Since the effects of the minimum provisions of the present law would be reflected in the farm acreage allotments established for the first year of an acreage-poundage program, allotments for the first year for burley tobacco would be determined under the procedure applicable to other kinds of tobacco. However, for years subsequent to the first year this subsection would require a determination of the acreage allotment, without adjustment from the reserve, established for the first year for a farm with an allotment of five-tenths of an acre for the year immediately preceding the first year. This would constitute a standard, to replace the present five-tenths of an acre standard. The minimum allotment for any farm after the first year would then be the smallest of that amount, the acreage allotment established for such farm the first year, or 10 percent of the cropland. The farm would also receive a minimum marketing quota in years subsequent to the first year equal to the product of the farm yield for the first year and the minimum allotment. The minimum allotments and marketing quotas would be subject to adjustments for overmarketing or undermarketing and to reductions for violations.

Subsection (i) would be operative only if an acreage-poundage program becomes effective on Flue-cured tobacco in 1965. In that event the Secretary would be required to hold meetings prior to January 1, 1966, with the tobacco industry with respect to each kind of tobacco to receive recommendations and to determine the need for similar or modified programs for such kinds of tobacco. He would also be required to conduct a study and report to the House Committee on Agriculture and the Senate Committee on Agriculture and Forestry on experience with and operation of the Flue-cured program and to make recommendations with respect thereto for Flue-cured tobacco and for programs for other kinds of tobacco. The report would have to be filed prior to January 1, 1966.

Section 2: Section 313(j) of the act, as added by Public Law 361, 84th Congress, approved August 11, 1955, provides that the production of tobacco on a farm in 1955 or any subsequent year for which no farm acreage allotment was established shall not make the farm eligible as an old farm but that such production would not make the farm ineligible for a new farm allotment. Section 2 amends this subsection to make it apply to the acreage-poundage program under section 317.

Section 3: Section 3 amends section 106 of the Agricultural Act of 1949 which contains price-support provisions for tobacco. A new subsection (c) is added which provides that price support shall not be made available on tobacco marketed in excess of 110 percent (120 percent in the case of burley) of the marketing quota for the farm when acreage-poundage quotas are in effect. It also provides that for the purpose of price support, eligible tobacco carried over from one marketing year to another to avoid marketings in excess of the farm marketing quota on an acreage-poundage basis shall, when marketed, be considered tobacco of the then current crop. The overall provision—that tobacco grown on a farm on which the acreage allotment is knowingly exceeded would not be eligible for mandatory price support—would apply to the acreage-poundage program.

Mr. JORDAN of North Carolina. Mr. President, there are three typographical errors in punctuation in the committee amendments as set out in the report of the bill. In order to correct them on behalf of the committee, I move to modify the committee amendments as follows:

On page 5, line 9, after the word "specifically" insert a period.

On page 11, line 6, strike out the quotation marks.

On page 16, line 24, strike out the quotation marks.

The PRESIDING OFFICER. Without objection, the amendments will be modified accordingly.

Mr. JORDAN of North Carolina. Mr. President, I ask unanimous consent that the committee amendments be considered en bloc and that the bill, as amended, be considered original text for the purpose of amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none; and, without objection, the amendments are agreed to en bloc.

Mr. ERVIN. Mr. President, I ask unanimous consent that the Senator from North Carolina [Mr. JORDAN] may yield to me for an observation and a statement, with the understanding that he shall not lose his right to the floor.

The PRESIDING OFFICER. Does the Senator from North Carolina [Mr. JORDAN] yield to the Senator from North Carolina [Mr. ERVIN]?

Mr. JORDAN. I am delighted to yield to my colleague.

Mr. ERVIN. I congratulate and commend my colleague upon his clear analysis and explanation of the bill, and associate myself with his remarks. I also wish to congratulate and commend him on the fine work he has done in connection with the proposed legislation.

I thank the Senator for yielding to me.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. TALMADGE. Mr. President——

The PRESIDING OFFICER. The Senator from Georgia is recognized.

AMENDMENT NO. 60

Mr. TALMADGE. Mr. President, I call up my amendment No. 60 and ask unanimous consent that reading of the amendment be dispensed with, but that it be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD at this point.

The amendment is as follows:

Strike all after the enacting clause and insert in lieu thereof the following: "That the Agricultural Adjustment Act of 1938, as amended, is amended by inserting after section 313 the following:

"APPORTIONMENT OF NATIONAL MARKETING QUOTA FOR FLUE-CURED TOBACCO WHEN MARKETING QUOTAS HAVE BEEN EFFECTIVE FOR THE PRECEDING MARKETING YEAR

"'SEC. 313A. (a) Notwithstanding the provisions of section 313 (except subsections (d) and (i)), if marketing quotas were effective for Flue-cured tobacco for the preceding marketing year, the national marketing quota established pursuant to the provisions of section 312 for any marketing year for Flue-cured tobacco, less the amount to be allotted under subsection (b), shall be apportioned by the Secretary among farms on the basis of their farm bases. The base for each farm shall be computed by subtracting one-fifth of the amount of tobacco produced on such farm and sold, pledged, or mortgaged to the Commodity Credit Corporation under the price-support program for the most recent marketing year for which such information is available as to all farms from—

"'(i) the product of the farm's acreage allotment for such preceding marketing year multiplied by the normal yield for the farm, if acreage allotments were established for such preceding marketing year, or

"'(ii) the farm's marketing quota for such preceding marketing year, if acreage allotments were not established for such preceding marketing year.

"'(b) The Secretary shall provide, through local committees, for the allotment of not in excess of 5 per centum of the national marketing quota (1) to farms not receiving marketing quotas under subsection (a), and (2) to increase allotments to small farms on the basis of the following: Land, labor, and equipment available for the production of tobacco; crop-rotation practices; and the soil and other physical factors affecting the production of tobacco: *Provided*, That farm marketing quotas established pursuant to clause (1) of this subsection shall not exceed 75 per centum of the farm marketing quotas established pursuant to subsection (a) of this section for farms which are similar with respect to the following: Land, labor, and equipment available for the production of tobacco, crop-rotation practices, and the soil and other physical factors affecting the production of tobacco.

"'(c) The farm marketing quota established under the foregoing provisions of this section for any farm for any marketing year shall be increased for undermarketing or decreased for overmarketing by the number of pounds by which marketings of tobacco from the farm during the immediately preceding marketing year is less than or exceeds the farm marketing quota for such preceding year: *Provided*, That the farm marketing quota for any marketing year shall not be increased for undermarketing by an amount in excess of the farm marketing quota for such year established without regard to the provisions of this subsection. If on account of excess marketings in the preceding marketing year the farm marketing quota for any marketing year is reduced to zero pounds without reflecting the entire reduction required, the additional reduction required shall be made for the subsequent marketing year or years. The farm marketing quota shall be increased or decreased for the second succeeding marketing year in the case of Maryland tobacco, and for any other kind of tobacco for which the Secretary determines it is impracticable because of the lack of adequate marketing data, to make the increases or decreases applicable to the immediately succeeding marketing year. Increases or decreases in farm marketing quotas or farm acreage allotments resulting from the application of this subsection shall not be taken into account in computing farm bases for succeeding marketing years.

"'(d) The Secretary may, on the basis of the normal yield for the farm convert each farm marketing quota determined under this section in to a farm acreage allotment. In such case the actual production of such acreage allotment (in lieu of the farm marketing quota determined under subsection (a), (b), or (c)) shall be the farm marketing quota.

"'(e) If any amout of tobacco shall be marketed as having been produced on any farm which in fact was produced on a different farm, the acreage allotments next established (or marketing quotas if acreage allotments are not established) for both such farms shall be reduced by that percentage which such amount was of the respective farm marketing quota, except that such reduction for any such farm shall not be made if the Secretary through the local committees finds that no person connected with such farm caused, aided, or acquiesced in such marketing; and if proof of the disposition of any amount of tobacco is not furnished as required by the Secretary or if any producer on the farm files, or aids or acquiesces in the filing of, any false report with respect to the acreage or production of tobacco grown on the farm required by regulations issued pursuant to this Act, the acreage allotment next established (or marketing quota if acreage allotments are not established) for the farm on which such tobacco is produced shall be reduced by a percentage similarly computed. If in any calendar year for which acreage allotments are established more than one crop of tobacco is grown from (1) the same tobacco plants or (2) different tobacco plants, and is harvested for marketing from the same acreage on a farm, the acreage allotment next established (or marketing quota if acreage allotments are not established) for such farm shall be reduced by an amount equivalent to the acreage from which more than one crop of tobacco has been grown and harvested (or equivalent to the amount by which the production of such acreage exceeded its normal production).'"

SEC. 2. The heading of section 313 of the Agricultural Adjustment Act of 1938, as amended, is amended to read as follows:

"APPORTIONMENT OF NATIONAL MARKETING QUOTA WHEN SECTION 313A IS NOT APPLICABLE"

SEC. 3. This Act shall be effective beginning with the 1966 crop.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the name of the distinguished senior Senator from Florida [Mr. HOLLAND] be listed as a cosponsor on this substitute amendment.

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

Mr. TALMADGE. Mr. President, the tobacco program, under the Agricultural Adjustment Act of 1938, for many years served its purpose well. However, in the past few years, it has become increasingly apparent that the program was not serving the purpose of reducing the supply of tobacco on hand and keeping the supply of tobacco in line with demand. The factors which have caused the supply of tobacco to exceed demand are many. In the tobacco industry itself, there is wide disagreement as to what factors are primarily responsible for the crisis with which we are now faced in the tobacco program.

Over the past several years, several cuts in quotas have been put into effect in an effort to bring supply in line with demand. However, it is conceded by all concerned that the cuts in quotas have not been effective. The history of the program shows that as the United States cut the quotas on tobacco production the production cuts were more than offset by foreign production. In the period of 1950 through 1954, the total U.S. production was 1,332 million pounds, and the total foreign production was 1,210 million pounds. Thus, the United States was outproducing the combined foreign production by some 122 million pounds. By 1962, the picture had changed drastically, with the total U.S. production being 1,400 million pounds, and the combined total foreign production had increased to 2,098 million pounds, thus making the total foreign production exceed the U.S. production by 698 million pounds. Approximately 40 percent of the Flue-cured tobacco is grown for the export markets. If the present program is continued, it is an undisputable fact that the American tobacco farmers will lose all of the export market, necessitating further cuts of such drastic proportions as to wipe out the small tobacco farmer and create havoc throughout the tobacco industry.

It has long been contended by segments of the tobacco farmers that the current tobacco program was not administered on an equitable basis and that the administration of the program encouraged the production of tobacco which was not desired by the tobacco companies and which the tobacco companies refused to buy to such an extent that today the Commodity Credit Corporation holds approximately 961 million pounds of Flue-cured tobacco for which no market can be found. In passing, I might point out that of this 961 million pounds of Flue-cured tobacco held by the Commodity Credit Corporation, only some 17 million pounds is type 14 Flue-cured tobacco. The statistics of the U.S. Department of Agriculture show that for some time there has been a wide variation amongst the types of Flue-cured tobacco as to those types which find ready buyers on the open market and those types which the buyers on the open market refuse to purchase and which must be placed in the surplus held by the Commodity Credit Corporation. As examples, during the 17-year period from 1946 through 1963 a total of 163 million pounds of type 14 tobacco was placed under the Government loan, while in the year 1963 alone 129.1 million pounds of type 11–a Flue-cured tobacco was placed under the loan. As of January 1, 1957, 104.3 million pounds of type 11–a tobacco was held in Stabilization Corporation and this increased to 271.9 million pounds as of January 1, 1964. On the other hand, as of January 1, 1957, there were

33.2 million pounds of type 14 Flue-cured tobacco on hand, but by January 1, 1964, this had decreased to 16.8 million pounds. Further, during the 1963 tobacco marketing year only 2.8 percent of the tobacco marketed as type 14 Flue-cured tobacco was placed under the Government loan while at the same time 12.2 percent of type 13, 14.2 percent of type 12, 21.7 percent of type 11-b, and 43.6 percent of type 11-a Flue-cured tobacco were placed under the Government loan. The statistics of the U.S. Department of Agriculture make it abundantly clear that something is drastically wrong with the present tobacco control program and that emergency action by Congess is demanded.

Mr. President, I ask unanimous consent to have printed in the RECORD a table prepared by the Department of Agriculture for the years 1946 through 1963 and published in the Flue-Cured Tobacco Auction Market & Producing Areas.

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

The percent of Flue-cured tobacco placed under Government loan, from 1946 to 1963—Based on producer sales

Marketing season	Georgia-Florida, type 14	South Carolina border, type 13	Eastern Belt, North Carolina, type 12	Middle Belt, North Carolina, type 11B	Old Belt, North Carolina and Virginia, type 11A
1946	----------	2.2	0.7	3.9	16.7
1947	16.1	15.6	10.2	17.2	34.6
1948	3.9	7.5	6.0	11.2	20.0
1949	14.2	10.4	4.7	6.8	14.0
1950	4.0	2.5	4.4	7.8	12.3
1951	9.7	11.1	5.9	9.3	15.7
1952	4.0	7.8	12.5	12.0	20.3
1953	3.2	3.5	3.6	18.4	41.0
1954	5.0	9.9	8.2	11.1	15.5
1955	16.1	26.0	25.1	14.6	10.7
1956	8.1	20.8	26.8	30.4	21.1
1957	1.0	4.0	6.7	16.4	27.1
1958	2.0	15.1	13.5	12.6	18.1
1959	1.2	4.5	2.3	5.8	12.1
1960	1.4	3.2	4.6	3.4	6.8
1961	4.1	2.8	8.1	4.2	7.1
1962	2.6	10.8	16.5	20.4	32.2
1963 [1]	2.8	12.2	14.2	21.7	43.6
Average	[2] 5.8	[3] 9.4	[3] 9.7	[3] 12.6	[3] 20.5

[1] Based on gross sales.
[2] 17-year average.
[3] 18-year average.

Source of information: March 1963 issue Tobacco Market Review, p. 38, USDA-AMS Tobacco Division. Data for 1963 from Tobacco News Letter, USDA-AMS, Tobacco Division.

Mr. TALMADGE. Mr. President, the farmers throughout the Flue-cured tobacco belt are duly alarmed over the present crisis and are looking to the leadership of Congress to provide a speedy and equitable solution to the complex tobacco problem. The problem is so acute that tobacco farmers in Georgia and Florida have already gone into Federal court seeking relief from the inequities in the administration of the present tobacco program. These farmers have been successful with their litigation in the U.S. district court, as well as the U.S. Circuit Court of Appeals for the Fifth Circuit.

I ask unanimous consent that there may be printed in the RECORD at this point the decision of the Fifth Circuit Court of Appeals of the U.S. Court of Appeals in the case of Orville Freeman, Secretary of Agriculture, versus Darius N. Brown, et al. It is dated February 26, 1965.

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

U.S. COURT OF APPEALS FOR THE FIFTH CIRCUIT—ORVILLE FREEMAN, SECRETARY OF AGRICULTURE OF THE UNITED STATES OF AMERICA, APPELLANT, *v.* DARIUS N. BROWN, ET AL., APPELLEES—No. 21588

(Appeal from the U.S. District Court for the Southern District of Georgia, before Brown and Bell, circuit judges, and Spears, district judge, Feb. 26, 1965)

Circuit Judge BELL. This is an appeal by the Secretary of Agriculture from an order of the district court permanently enjoining him from enforcing a cut in acreage allotments on type 14 Flue-cured tobacco for the 1964–65 tobacco marketing year below allotments for the 1963–64 marketing year. Plaintiffs, appellees here, are tobacco farmers and producers of type 14 Flue-cured tobacco. The basis of their class action against the Secretary was that he had failed and refused to treat type 14 as a separate kind of tobacco in arriving at the marketing quotas on which the acreage allotments were based, but had grouped it with all other types of Flue-cured tobacco. The complaint consisted of two counts; the first in the nature of a petition for mandamus, and the other for declaratory judgment. The district court followed generally the prayers of the count for declaratory judgment in granting the injunction. The prayer of the mandamus count was for an order compelling the Secretary to discharge his statutory and regulatory duties with regard to setting marketing quotas and acreage allotments on the type of tobacco in question. It was claimed that he failed to use the latest available statistics in making the determination in issue.

The Secretary moved to dismiss the complaint, or in the alternative for summary judgment. Appellees also moved for summary judgment. Each motion for summary judgment was supported by affidavits, and appellees offered the testimony of a marketing inspector for the Georgia Department of Agriculture. The motions of the Secretary to dismiss and for summary judgment were overruled. The motion of appellees was granted and the injunction which forms the subject matter of this appeal was entered.

THE ISSUES PRESENTED

There are three issues for consideration. First, it is urged that the district court did not have jurisdiction over the subject matter of the action. Second, the Secretary says, even assuming jurisdiction, he would be entitled to judgment as a matter of law because the Agriculture Adjustment Act does not permit the Secretary to constitute a type of tobacco as a separate kind of tobacco for a single year of the 3-year period for which marketing quotas and acreage allotments based thereon have been set. The relief sought was for the last year of such a 3-year period. Lastly, assuming both jurisdiction and requisite authority, it is contended that the determination by the Secretary not to treat type 14 Flue-cured tobacco as a separate kind of tobacco for the year in question was regularly made and supported by substantial evidence.

STATUTORY BACKGROUND

The duty of the Secretary to set marketing quotas, and from these to set tobacco acreage allotments arises under the Agricultural Adjustment Act of 1938, as amended, 7 U.S.C.A., section 1282 et seq. This act, 7 U.S.C.A., section 1301(b)(15) provides as follows:

"'Tobacco' means each one of the kinds of tobacco listed below comprising the types specified as classified in Service and Regulatory Announcement Numbered 118 of the Bureau of Agricultural Economics of the Department:

"Flue-cured tobacco, comprising types 11, 12, 13, and 14;

"The provisions of this subchapter shall apply to each of such kinds of tobacco severally: *Provided,* That any one or more of the types comprising any such kind of tobacco shall be treated as a 'kind of tobacco' for the purposes of this chapter * * * if the Secretary finds there is a difference in supply and demand conditions as among such types of tobacco which results in a difference in the adjustments needed in the marketing thereof in order to maintain supplies in line with demand: * * *"

It also provides, 7 U.S.C.A., section 1301(c), that:

"The latest available statistics of the Federal Government shall be used by the Secretary in making the determination required to be made by the Secretary under this chapter."

The determinations to be made are set out in 7 U.S.C.A., section 1312(a)(1)(2):

"(a) The Secretary shall, not later than December 1 of any marketing year with respect to Flue-cured tobacco, * * * proclaim a national marketing quota for any kind of tobacco for each of the next three succeeding marketing years whenever he determines with respect to such kind of tobacco—

"(1) that a national marketing quota has not previously been proclaimed and the total supply as of the beginning of such marketing year exceeds the reserve supply level therefor;

"(2) that such marketing year is the last year of 3 consecutive years for which marketing quotas previously proclaimed will be in effect; * * *"

The Secretary is directed to issue what is called a national marketing quota for a 3-year period. Within 30 days after the Secretary has issued that quota he is required to conduct a referendum of the affected farmers to determine whether they favor such quota for the 3-year period. 7 U.S.C.A., 1312(c). After the setting of the quota, i.e., the 3-year quota, and prior to the referendum, the Secretary must announce the part of the 3-year marketing quota to be in effect for the next year. 7 U.S.C.A., 1312(b). The quotas for each of the next 2 years are set at the end, respectively, of the first and second marketing year. And apparently the 3-year quota is an estimate, the whole of which may or may not be allowed by the Secretary over the course of the 3 years, depending upon supply and demand.

The Tobacco Stocks and Standards Act of 1929, as amended, 7 U.S.C.A., 501, au-

thorizes and directs the Secretary to collect and publish statistics relating to the quantities of leaf tobacco in all forms and types owned by or in the possession of persons other than the original growers of tobacco. The statistics are to be summarized quarterly with an annual report to be issued. This act also makes it mandatory upon the Secretary to establish standards for the classification of leaf tobacco by types. 7 U.S.C.A., 502. These standards were established in 1929 in Service and Regulatory Announcement No. 118, 7 CFR 30.1 et seq. This announcement provides in pertinent part as follows:

Section 30.5. "Class—One of the major divisions of leaf tobacco based on the distinct characteristics of the tobacco caused by differences in varieties, soil, and climate conditions, and the methods of cultivation, harvesting, and curing."

Section 30.6. "Type—A subdivision of a class of leaf tobacco, having certain common characteristics which permit of its being divided into a number of related grades. Any tobacco that has the same characteristics and corresponding qualities, colors, and lengths, shall be treated as one type, regardless of any factors of historical or geographical nature which cannot be determined by an examination of the tobacco."

Section 30.31. "Classification of leaf tobacco. For the purposes of this classification, leaf tobacco shall be divided into the following classes: Class 1. Flue-cured types * * *. For the purposes of this classification the classes shall be divided into the following types and groups set forth in sections 30.36–30.44."

Section 30.36. "Class 1. Flue-cured types and groups—(a) Type 11. That type of Flue-cured tobacco commonly known as Old Belt Flue-cured, Western District Bright, Middle Belt Flue-cured, or Semi-Old Belt Flue-cured; and produced principally in the Piedmont sections of Virginia and North Carolina.

"(b) Type 12.—That type of Flue-cured tobacco commonly known as Eastern Flue-cured, New Belt of North Carolina Flue-cured, Eastern District Bright, or Eastern Carolina Bright; and produced principally in the coastal plains section of North Carolina, north of the South River.

"(c) Type 13. That type of Flue-cured tobacco commonly known as Southeastern Flue-cured, Southeastern Bright, South Carolina Flue-cured, or New Belt of South Carolina and Southeastern North Carolina; and produced principally in the coastal plains section of South Carolina and the southeastern counties of North Carolina south of the South River.

"(d) Type 14.—That type of Flue-cured tobacco commonly known as Southern Flue-cured, Southern Bright, Southern District Bright, New Belt of Georgia and Florida, Florida Bright, Alabama Bright, or Georgia Flue-cured; and produced principally in the southern sections of Georgia and to some extent in Florida, Alabama, and Mississippi."

This classification by types was adopted in the Agricultural Adjustment Act of 1938, 7 U.S.C.A. 1301(15), supra. The Tobacco Inspection Act, as amended 7 U.S.C.A, 511 et seq (1935), in section 511b authorized the Secretary to establish standards for tobacco by which its type, grade, size, condition or other characteristics might be determined, and these standards were to be the official standards of the United States The Secretary, pursuant to this authority, issued regulations having to do with inspection certificates which were to include, together with other information, the type and grade of tobacco, and it was mandatory that such inspection certificate be placed on each lot of tobacco inspected at the time of sale in an auction warehouse. 7 CFR 29.66(b), 29.71. Tobacco auction markets were also to be established under this act. 7 CFR 29.73. No tobacco can be sold in the United States except at such designated markets, and unless the tobacco has been sampled and inspected by an official inspector of the Secretary to determine and certify the type, grade, size, form, condition or other tobacco characteristics of the lot of tobacco. 7 CFR 20.109.

The position of the appellees is that the Secretary failed to keep proper statistics and to use the latest available statistics to determine the suply of Flue-cured tobacco on hand by types, and whether type 14 should be treated as a separate kind of Flue-cured tobacco before he set the marketing quota for the marketing year 1964–65. The fact is that the Secretary treated all types of Flue-cured tobacco as one kind in arriving at the 3-year quota, and declined to treat type 14 separately for 1964–65. The 3-year quota then in effect had been apportioned among the Flue-cured tobacco production areas as follows:

State:	*Acreage allotment*
Alabama	500.00
Florida	13,586.02
Georgia	64,912.49
North Carolina	421,092.74
South Carolina	74,128.45
Virginia	64,041.95
Reserve	1,599.54

It was these acreages which were reduced by 10 percent for 1964–65.

THE EVIDENCE

In support of his motion for summary judgment, the Secretary filed several affidavits including his own. He stated that he was requested, on March 7, 1964, to establish type 14 as a separate kind of Flue-cured tobacco under the Agricultural Adjustment Act of 1938.[1] He was told at the time by counsel for appellees that his failure to so establish type 14 would render the 10-percent cut in acreage allotments for 1964, heretofore made by the Under Secretary as Acting Secretary, unlawful as applied to growers of type 14 tobacco. The Secretary stated that he investigated the facts and determined that type 14 tobacco should not be constituted as a separate kind of Flue-cured tobacco, and that the determination of the national marketing quota for the marketing year beginning July 1964 on which the cut in acreage allotments had been made was in conformity with law. The Secretary gave three reasons for his conclusion. He stated that the Act did not contemplate establishing a new kind of tobacco during the 3-year period of a national marketing quota on which quotas had been approved by referendum for the kind of tobacco sought to be changed. He stated that there was not such a difference in supply and demand conditions as among the types of Flue-cured tobacco as would result in a difference in the adjustments needed in the marketings thereof in order to maintain supplies in line with demand. See title 7, section 1301(b)(15), supra. He gave as his reason for so finding that Flue-cured tobacco is used almost entirely in the manufacture of cigarettes, that there is a high degree of homogeneity among the several types and interchangeability in their use; that there has been a close price relationship among the types over the years, and that types 11, 12, and 13 are readily marketable in the type 14 production area and such tobacco when so marketed is classified as type 14. His view was that type 14 has the same characteristics including quality, colors and lengths as types 11, 12, and 13, and that factors of historical or geographical nature could not be determined by an examination of the tobacco. His affidavit then contained the following statement which is of much importance in this case:

"That I did not have available statistics upon which to determine a quota for type 14 as a separate kind of tobacco in conformity with the act because the Department's statistics with respect to the production of Flue-cured tobacco by types are based on the area in which the tobacco is grown while the statistics with respect to the types of Flue-cured tobacco on hand are based principally on the location of the warehouse at which the tobacco was marketed, and the Department of Commerce which collects the records of the exports of Flue-cured tobacco does not report exports of Flue-cured tobacco by type."

The Under Secretary stated in his affidavit that at the time he set the annual quota under the 3-year national marketing quota, he was advised that some tobacco growers in Georgia and Florida were protesting any reduction in acreage allotment for Flue-cured tobacco in those States on the ground that a smaller proportion of tobacco from those States had been going under Government loan as compared to tobacco from other States producing Flue-cured tobacco. He stated that because of this he gave consideration to whether type 14 should be constituted as a separate kind of Flue-cured tobacco. He determined that he could not take such action unless he found that there was a difference in supply and demand conditions as among the various types of Flue-cured tobacco which resulted in a difference in the adjustments needed in the marketings thereof in order to maintain supplies in line with demand. This reasoning was based on section 1301(b)(15), supra. He then stated that he could find no statutory provision for making adjustments between types because of the amount of tobacco moving under loan. He also found that one type of Flue-cured tobacco is readily substituted for another, and that large quantities of tobacco produced in an area associated with one type is marketed at warehouses located in areas associated with other types, and there classified as being the type corresponding to the type produced in the areas in which the warehouse is located. He also found that the reports of exports compiled by the Department of Commerce do not break exports of Flue-cured tobacco into types.

The affidavit of a tobacco economist in the U.S. Department of Agriculture was submitted. He was of the view that Flue-cured tobacco, regardless of where produced or type, is a substantially homogeneous commodity. He did not believe that Flue-cured tobacco could be fragmented into types and hence all statistical data in the Department of Agriculture went to the whole rather than the separate types. He stated the data was lacking with respect to inventories representing tobacco grown only in the areas designated as producing type 14, or as to any of the other separate types, or as to exports of the various types of Flue-cured tobacco.

The Director, Tobacco Policy Staff, Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, stated that the records showing the estimated production of Flue-cured tobacco compiled and issued by the Statistical Reporting Service of the Department show production estimates of Flue-cured tobacco by types and by States, but that these estimates were based on areas of production without regard to the areas in which the tobacco is marketed. He stated that the Tobacco Stocks Reports are based on the areas in which the tobacco is marketed without regard to the areas in which the tobacco was produced, and that all tobacco marketed in the Georgia tobacco markets was classified as type 14 without regard to the area in which it was produced.

[1] The kinds of tobacco as now classified are set out in 7 U.S.C.A., 1301(b)(15). The kinds listed are Flue-cured, Fire-cured, Dark Air-cured, Virginia Sun-cured, burley, Maryland, cigar-filler Cigar-binder, and Cigar-filler type 41. Appellees seek to divide the Flue-cured kind by having Flue-cured type 14 classified as an additional kind.

Stocks reports by types and marketings by types were not compatible with Flue-cured tobacco production estimates by types since substantial quantities are produced in one State or area and marketed in another.

The Director of the Tobacco Division of the Agricultural Marketing Service of the Department of Agriculture stated that he administered regulations issued pursuant to the Tobacco Statistics and Standards Act, supra, and the Tobacco Inspection Act, supra. He explained that records as to types are based on the place of marketing rather than the place of production, and contended that this was recognized from the beginning of the classification system due to the similarity of the various types of Flue-cured tobacco. He pointed to a contemporary explanation of the proviso in Announcement No. 118, supra, 7 GFR, section 30.6, defining the types:

"* * * Any tobacco that has the same characteristics and corresponding qualities, colors and lengths, shall be treated as one type, regardless of any factors of historical or geographical nature, which cannot be determined by an examination of the tobacco."

The contemporaneous explanation alluded to gives Flue-cured tobacco as an example, and pointed out that the type 11 area would produce tobacco of very nearly the same character as that produced in the type 12 area, and that type 11 could be sold as type 12 without being detected. It was said that the Department did not wish to require the segregation of such tobacco unless the difference could be clearly determined by an examination of the tobacco itself.

Appellees, in support of their motion for summary judgment, submitted several affidavits including those of two tobacco growers. One stated that Flue-cured tobacco grown in North Carolina and Virginia is distinguishable from Flue-cured tobacco grown in Georgia in color, texture, and leaf size. He stated that he had observed baskets of North Carolina and Virginia tobacco being sold at warehouses in Georgia. His statement was based on experience gained in growing Flue-cured tobacco for 46 years, and from observing auction sales of tobacco in Georgia, North Carolina, and Virginia. The other affiant stated that from a visual examination he could see a difference in the color, body, length, and size of tobacco leaves as between tobacco grown in Georgia and tobacco grown in the other Flue-cured tobacco belts. He attributed this to difference in soil and climate conditions, and to the fact that tobacco in Georgia is more generally irrigated which gives it a more uniform appearance than is true of nonirrigated tobacco grown in the belts.

The testimony of a marketing inspector for the Georgia Department of Agriculture was offered by appellees. He presented charts, based on data obtained from the U.S. Department of Agriculture, which demonstrated that in the 17-year period from 1946 through 1963, a total of 163 million pounds of type 14 tobacco was placed under Government loan while in the year 1963 alone 129.1 million pounds of type 11–A tobacco was placed under loan.[2] Another chart demonstrated that as of January 1, 1957, 104.3 million pounds of type 11–A tobacco was held in the Stabilization Corporation and 271.9 million pounds as of January 1, 1964. On January 1, 1957, 33.2 million pounds of type 14 was on hand but by January 1, 1964, this total had decreased to 16.8 million pounds. Another chart showed that in 1963 only 2.8 percent of tobacco marketed as type 14 was placed in Government loan, and it was conceded that some of this was not type 14. His testimony was that more than 13 million pounds of other types of Flue-cured tobacco had been brought into Georgia and was sold as type 14 in 1963. As to the remaining types, 12.2 percent of type 13 was placed under Government loan in 1963, 14.2 percent of type 12, 21.7 percent of type 11–B, and 43.6 percent of type 11–A.

JURISDICTION

Appellees invoked the jurisdiction of the court below under the judicial review provision of the Administrative Procedure Act. 5 U.S.C.A. 1009. The Secretary contends that judicial review, and thus jurisdiction, is precluded under the provision of that section which excepts agency action from judicial review where a statute precludes judicial review, or where agency action is by law committed to agency discretion. Section 1009(a).

It is settled that a statute must clearly demonstrate the intention of Congress to preclude judicial review in order for review to be denied by this exception. Cf. *Shaughnessy* v. *Pedreiro*, 1955, 349 U.S. 48, 75 S. Ct. 591, 99 L. Ed. 868; and *Fulford* v. *Forman*, 5 Cir., 1957, 245 F. 2d 145, footnote 23. The Secretary points to 7 U.S.C.A. 1363–67, the review provisions of the Agricultural Adjustment Act, and says that the review there provided is exclusive. These sections permit review by a local review committee in the event a farmer is dissatisfied with his farm marketing quota, and the determination by that committee may be judicially reviewed. *United States* v. *Sykes*, 5 Cir., 1962, 310 F. 2d 417, 420. But it is clear that this review provision does not permit review of the apportionment of a State allotment among counties. *Fulford* v. *Forman*, *supra*.

The Secretary contends that the intention of Congress was to preclude a challenge to the manner in which a national crop quota was fixed, or the manner in which a national quota was allocated or apportioned to States and counties. We conclude that there is no basis in the Agricultural Adjustment Act for attributing such an intention to Congress where, if such be the case and that is the allegation, the Secretary has failed to comply with statutory mandates relating to the gathering and using of statistics, the consideration of which is a condition precedent to determining whether types of tobacco should be treated as separate kinds in establishing marketing quotas.

It is urged that even assuming arguendo this to be the case, judicial review under the Administrative Procedure Act is nevertheless unavailable to appellees because the action of the Secretary was by law committed to his discretion. It is said that the determination that supply and demand factors did not warrant treating type 14 as a separate kind of tobacco constituted an exercise of discretion and nothing more. Such discretion is vested in the Secretary by the statute (7 U.S.C.A. 1301(b)(15)). This discretion, however, was not unfettered but was subject to the requirement that the Secretary use the latest statistics in making the determination. Section 1301(c), supra. And another statute required that these statistics be compiled (7 U.S.C.A. 501).

The crux of the complaint is that the Secretary failed to keep and consider the latest statistics in making the determination as to treating type 14 as a separate kind of tobacco, and therefore departed from the statutory base on which his discretion was to be exercised. This was a sufficient jurisdictional allegation. In sum, we conclude that judicial review of the Secretary's determination not to treat type 14 as a separate kind of tobacco is not precluded by statute, nor is the determination committed by law to the Secretary's unfettered discretion. Furthermore, the decision of the Secretary constituted final agency action for which there is no other adequate remedy in any court. See 5 U.S.C.A. 1009(c). We therefore hold that the district court had jurisdiction to review the action of the Secretary under the Administrative Procedure Act.[3]

THE MERITS

As is indicated by the statement of the evidence adduced on the motions, the Secretary does not contend that he exercised his discretion as to whether to treat type 14 as a separate kind of tobacco on full facts. The statistics available to him with respect to acreage planted in Flue-cured tobacco were based on areas of production and hence types. The statistics reflecting stocks on hand or supplies were based on the location of the warehouse at which the tobacco was marketed. These statistics did not reflect types as all types were treated as that of the producing area in which the warehouse was located. This, of course, amounted to no statistics by types, and was in contravention of the duty to keep statistics by types, 7 U.S.C.A. 501, supra, unless there was no practical difference in the types. He also stated that records of exports were not kept by types, but these were records kept by the Commerce Department and may or may not have been relevant. Neither the Secretary nor those of his staff whose affidavits on the subject were submitted in the district court deem it necessary to keep statistics based on types. They seem to be of the opinion that the high degree of homogeneity among the types was such as to render it conclusive that all of the types should be treated as one for purposes of establishing marketing quotas. This conclusion is buttressed only by other conclusions such as high degree of interchangeability, similarity in prices, and the like, but none of these underlying conclusions were supported by facts.

On the other hand, appellees submitted the affidavits of two witnesses who testified, based on experience and observation, that there is a difference in color, texture, and size of type 14 as distinguished from the other types. One of these affiants stated that this was due to the high degree of irrigation used in the type 14 belt. The testimony of the Georgia marketing inspector was based on statistical information sent him by the U.S. Department of Agriculture. It showed that a much less proportion of the type 14 crop was placed under the Government loan program. Only 2.8 percent of type 14 went under loan, while the other types varied from 12.2 percent of type 13 up to 43.6 percent of type 11–A for the year 1963. These figures also showed that over a period of 17 years ending in 1963 only 163 million pounds of type 14 tobacco was placed under loan while 129.10 million pounds of type 11–A went under loan in 1963 alone. These facts strongly support an inference that a substantially greater proportion of type 14 was selling above the support level than was true of the other types. Moreover, his testimony demonstrated that at least some statistics were available in the Department of Agriculture to separate true type 14 tobacco from tobacco produced in other areas and sold at markets in the type 14 area, inasmuch as he testified that "a fraction more than 13 million pounds" was brought into Georgia and sold as type 14 in 1963. In short, he had statistics separating type 14 from the other types both by sales and under the loan program.

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[2] Apparently type 11 has been, since Announcement No. 118, supra, divided into types 11–A and 11–B. This does not appear of record.

[3] The legislative history of the Administrative Procedure Act as it pertains to the exceptions to review based on statutory preclusion of review, or matters committed to agency discretion is set out in *Amarillo-Borger Express* v. *United States*, N.D. Tex., 1956, 138 F. Supp. 411, 418 footnote 13. This history fully supports the conclusion we have reached.

This testimony is not conclusive on the question of whether the Secretary abused his discretion in not treating type 14 as a separate kind of tobacco, but it does show that statistics were available to the Secretary which were not considered by him in making the determination, and that there was a practical difference in characteristics as between type 14 and some of the other types such as would warrant a consideration of comparative statistics.[4] All in all, and as a matter of proof since the hearing went beyond a motion for summary judgment to the point where both sides were satisfied with the proof and to submit the case for final judgment, the evidence was sufficient to show that the Secretary departed from what is required of him by statute: to keep statistics and consider the latest available statistics in making the determination as to kind when arriving at marketing quotas.

This made out a case for appellees to the extent of the Secretary having failed in this duty, and the difficult question presented to the district court and to this court is what relief should have been accorded. It would have been improper for the district court to have taken up the question of whether the Secretary abused his discretion in holding that type 14 was not to be treated as a separate kind of tobacco as a matter of fact. The evidence adduced was insufficient to demonstrate this. In fact, the proof was not directed to this question. Facts as to prices, demand in the market by types, and the reason for differences in demand, if any, would, together with differences in characteristics, all be material, indeed a sine qua non to a judgment on an abuse of discretion question.

RELIEF TO BE ACCORDED

We hold that the order of the court now under consideration cannot be sustained in its entirety. It goes beyond what is warranted by the evidence and in fact amount to the setting of a marketing quota by the court. This follows from the fact that the court, without conclusive evidence as to whether type 14 should be treated as a separate kind of tobacco, in effect increased the acreage allotment by adding 10 percent to the type 14 acreage allotment. This relief was unwarranted in fact and in law. The proper approach would have been to deny the injunctive relief sought under the declaratory judgment count of the complaint, and to grant relief to the extent necessary and warranted under the first count of the complaint which was aimed toward requiring the Secretary to perform his statutory duties.

This means that the court in exercise of its equitable discretion once it found, as it did and as we affirm, that the Secretary had failed to use the latest statistics in treating with the contention that type 14 should be a separate kind of tobacco, should have directed the Secretary to reconsider his decision in the light of what the statutes required of him.

This was indicated by the fact that the marketing quota and acreage allotments had been set 2 years before appellees registered their complaint as to the treatment being given to type 14. All Flue-cured tobacco farmers had approved the marketing quotas and all that was left for the Secretary was to establish the annual quota for each of the last 2 marketing years of the period. The Secretary was entitled to a reasonable time to consider the contentions of the appellees, but they are entitled to have him follow the statutes and otherwise consider facts relevant to their contentions that type 14 should be treated as a kind of tobacco separate from the other types of Flue-cured tobacco.

This determination by the Secretary is apart from the question as to when he may change the marketing quotas and acreage allotments if he should conclude to treat type 14 as a separate kind. That is another question and one not ripe for decision at this time. Whether such separate treatment may be commenced prior to the setting of any annual marketing quota, simply by reapportioning the acreage among the several States or otherwise, or whether it may only be done prior to the setting of the 3-year marketing quota is a question that first should be considered by the Secretary, and will only arise in the event he determines to treat type 14 as a separate kind of tobacco. We add that, contrary to the contention of the Secretary, when such acreage relief, if any, as appellees may be entitled to will be accorded them in no way bars their right to a proper and present consideration of their claim.

It is thus apparent from what we have said that the judgment must be reversed because of its breadth, but in reversing we hold that the district court should enter an order directing the secretary to reconsider within a reasonable time the question of treating type 14 as a separate kind of Flue-cured tobacco in the light of all available and material facts, including such statistics as he may have or which may be reasonably derived from presently available facts or statistics, to the end of making a considered and fair judgment, in the exercise of his discretion, as to the question presented. Whether there is a high degree of homogeneity on the types, or interchangeability in their use are questions of fact. Evidence should be available as to whether there are material differences in the characteristics of the types, and in demand and prices. In any event, the Secretary shall make his decision on statistics which are presently available or which may be compiled from other statistics, documents, and other evidence presently available. This evidence may be obtained from the Department or elsewhere, such as from records that may be maintained by purchasers of tobacco from producers. The Secretary must make a decision and his decision, if reviewed after he follows the statutory mandates, will be on the basis of whether he has abused his discretion in the decision.

The determination of the Secretary may be made on the basis that any change in marketing quotas and acreage allotments based on his decisions, if it should be to treat type 14 as a separate kind of tobacco, shall be prospective in application. As stated, we do not reach the question of whether such relief may be applied prospectively to the next annual quota or whether it must await the first year of a 3-year marketing quota.

Reversed and remanded for further proceedings not inconsistent herewith.

Mr. TALMADGE. Mr. President, in this particular case the farmers who filed suit won in the District Court for the Southern District of Georgia. The defendant appealed the decision. The appellees also won in the Circuit Court of Appeals. I presume that the defendant now will seek to appeal that decision to the U.S. Supreme Court.

The tobacco farmers in our area of the country believe that this is one of the reasons why there has been such great haste in this matter and why the pending bill is sought to be passed with such great speed, to the exclusion of permitting the tobacco farmers themselves in their own areas to come before a committee of the Senate to argue the merits of their case.

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

Mr. TALMADGE. I am delighted to yield to the able and distinguished Senator from Florida.

Mr. HOLLAND. I wonder if the Senator from Georgia sees any equity in making the provisions of the pending bill apply to Flue-cured tobacco this year but not to burley tobacco until next year, in spite of the fact that all the Flue-cured tobacco producers in my State have already planted, and many of the farmers in the Senator's State have already planted, our two States being the principal ones which produce the type of tobacco under discussion, type 14, which is not in surplus and which has not contributed to building up the present problem.

Mr. TALMADGE. The distinguished Senator from Florida is eminently correct. The bill is utterly and entirely discriminatory, because the farmers who have not contributed to the surplus would be the ones who would be penalized. As my friend from Florida knows, in his State the farmers have already transplanted their tobacco plants to the field and the plants are now growing. In my State the same thing would have happened except for the unfavorable weather we have been experiencing in the way of abnormal rainfall. Although some of the farmers in our State have transplanted their tobacco, a great many have not. However, they have produced the plant, they have prepared the ground, they have laid off the rows, they have bought the insecticides, they have purchased the fertilizer, and they have made every plan and every preparation to plant. Last fall they voted overwhelmingly for one system, proposed by the Department of Agriculture. Now Congress says, "We are not going to keep faith with you. We will change the system, even though your tobacco may be in the ground, and even though you have bought your fertilizer, and even though you have planted your seed." In spite of all that, the Government is now willing to say, "We will change all this. You cannot rely on what we told you last fall." This proposition is absolutely and completely inequitable.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. TALMADGE. I am glad to yield further to the Senator from Florida.

Mr. HOLLAND. Is it not true that in the case of burley tobacco, Senators representing those areas were much wiser in insisting that the bill should not be made applicable to their product until

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[4] The objection of type 14 producers to the sale of other types in their area has been the subject matter of previous litigation, *Campbell* v. *Hussey*, 1961, 368 U.S. 297, 82 S. Ct. 327, 7 L. Ed. 299, affirming the district court's holding that a Georgia statute requiring different color tags to be placed on the different types was unconstitutional. In footnote 3 of the Supreme Court decision it was said:

"Both the purpose and effect of the Georgia enactment were to make a distinction at the markets, by the color tags, between tobacco grown in Georgia and that grown elsewhere. The effect was to create a wide disparity of price between the two groups of tobacco, the Carolina growers receiving a much lower amount. This resulted in losses of business to the plaintiff warehousemen" (189 F. Supp. 54, 59).

next year, to give the producers an opportunity to adjust themselves to the situation?

Mr. TALMADGE. Yes; to achieve a period of adjustment for themselves and to see how it would affect them.

Mr. HOLLAND. Is it not true that burley tobacco is planted even later, and would not be in the same inequitable situation, so far as having already been planted is concerned, in which the producers in my State and in the State so ably represented by the Senators from Georgia would find themselves if the bill were enacted?

Mr. TALMADGE. The Senator is entirely correct. I do not believe that any burley tobacco plants are in the ground. On the other hand, at least two States, and probably three States, have made substantial plantings of Flue-cured tobacco.

Mr. HOLLAND. Is it not true that even if the bill were passed and approved by the President in the minimum time, say, the last part of this week or some time next week, there would still be required time for the holding of a referendum to displace and supplant the referendum of last December, in which the Flue-cured tobacco producers voted by a two-thirds majority to cut their acreage by 19½ percent rather than continue to produce the surplus?

Mr. TALMADGE. The Senator is entirely correct. No matter how speedily the bill is enacted into law, and no matter how speedily the Department of Agriculture may order a further referendum on the subject, by that time at least two-thirds or perhaps even three-fourths of all the Flue-cured tobacco in the entire United States will have been planted.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. TALMADGE. I am glad to yield.

Mr. HOLLAND. Does the Senator think this is an equitable way to approach such a revolutionary change in a long-established quota system like this?

Mr. TALMADGE. There is no semblance of equity about it. The Senator well knows that after the crops are in the ground it is not possible to change the system.

Mr. HOLLAND. I thank the Senator. I have not seen this kind of inequitable approach made on the floor or in committee in this whole field of agricultural production in the 15 or so years that I have served on the committee. I regret that this approach is being made in connection with the pending bill.

Mr. TALMADGE. I agree with the Senator. I compliment him for his valuable contribution.

The farm leadership in Georgia and Florida is wholeheartedly supporting the pending litigation. I know these men to be levelheaded, foresighted people who favor the tobacco support program so long as it is fairly administered and serves the purpose intended by Congress. However, at the same time, they are not men who will lie down and accept the current program which can only lead to economic disaster and ruin for the Flue-cured tobacco producing areas. The bill which I have introduced to provide for the apportionment of tobacco marketing quotas to those farmers who produce marketable Flue-cured tobacco would correct the flaws and defects in the old Agricultural Adjustment Act of 1938 and provide a solution to the complex tobacco problem.

The bill provides for apportionment of the national marketing quota for Flue-cured tobacco in a manner designed to increase allotments of farms producing tobacco for the market and decrease allotments of farms producing tobacco for the price support program.

Under the bill each Flue-cured tobacco farm would start with a base consisting of the product of its previous year's acreage allotment and its normal yield—or its marketing quota, if acreage allotments had not been established. This base would be reduced by one-fifth of the quantity of tobacco put under price support from the farm. The national marketing quota—less the reserve for new farms and small farms—would then be apportioned among farms in accordance with their bases, so that farms whose bases had been reduced would receive less, and farms whose bases had not been reduced would receive more.

Farm allotments might be made on either a poundage or acreage basis. If on a poundage basis, the amount apportioned to the farm as just described would constitute the farm marketing quota. If on an acreage basis, the poundage apportionment just described would be converted to an acreage allotment by multiplying it by the normal yield for the farm. The farm marketing quota would then be the actual yield of the acreage allotment.

Section 1 of the bill adds a new section 313A to the Agricultural Adjustment Act of 1938.

Subsection (a) of new section 313A provides for use of the method of apportionment just described for Flue-cured tobacco, if marketing quotas have been in effect for the preceding year. In such case it would supersede the apportionment method now prescribed by section 313 of the Agricultural Adjustment Act of 1938; except that section 313(d), which permits the transfer of marketing quotas in such manner as the Secretary may prescribe, and section 313(i), which permits increases in allotments or quotas when necessary to meet demands for particular types, would continue to be applicable. Section 313 would continue to be effective for Flue-cured tobacco whenever marketing quotas had not been in effect for the previous year.

The computation of each farm base would begin with its acreage allotment—or marketing quota if acreage allotments were not in effect—for the marketing year preceding the marketing year for which the apportionment is to be made. Thus, for example, the 1965 acreage allotment would be used in computing the farm base for apportionment of the marketing quota for the 1966 crop. Where an acreage allotment is used in computation of the base, it is converted to pounds by multiplying it by the normal yield. "Normal yield" is a term now used in sections 314 and 316 of the law, but it is not defined, being left to the Secretary to determine.

The next step in the computation of the farm base is to subtract the amount of tobacco from the farm which was put under price support during the most recent marketing year for which such information is available for all farms. Such information is not now available and probably could not be made available for crops prior to the 1965 crop. The Secretary would have to keep adequate records for the 1965 crop, but it appears probable that these records would not be available in time to be taken into account in apportioning quotas for the 1966 crop. The 1966 marketing quota for Flue-cured tobacco must be proclaimed not later than December 1, 1965, and the referendum must be held within 30 days thereafter; but 1965 crop Flue-cured tobacco may still be going under price support during December. It is probable therefore that the farm bases used in making the apportionment for 1966 under the bill would not be reduced by reason of tobacco being put under price support in 1965; but the bases used in apportioning the 1967 quota would be so reduced.

There would be no State marketing quotas or allotments. The national marketing quota, less the reserve, would be apportioned directly to farms on the basis of farm bases.

Subsection (b) of new section 313A provides for a reserve similar to that provided by section 313(c) for the present method of apportionment. Up to 5 percent of the national quota could be apportioned to small farms and farms having no farm bases on the basis of the factors now set out in section 313(c). The amount apportioned to a farm having no base could not exceed 75 percent of the amount apportioned under subsection (a) for farms which are similar with respect to the allotment factors.

Subsection (c) of new section 313A provides that if a farm markets less than its full marketing quota, its marketing quota for the next marketing year, computed as provided in subsections (a) and (b) would be increased by the amount of the deficiency—but the increase could not exceed 100 percent of the quota as computed under subsections (a) and (b). This would give a farmer who had a crop failure in one year the chance to make it up the next year. If a farm exceeded its quota, its marketing quotas for succeeding years would be reduced until the total reductions equaled the excess. This penalty would be in addition to the marketing penalty imposed on the marketing of the excess.

The increases or decreases in marketing quotas or acreage allotments resulting from the application of subsection (c) would not be taken into account in computing farm bases for subsequent years. Thus if a farm marketing quota of 5,000 pounds computed under subsection (a) was increased to 7,500 pounds, the farm base for the next year would be computed as though the farm marketing quota had been 5,000 pounds—and, if acreage allotments had been established, as though the farm

acreage allotment had been 5,000 pounds divided by the normal yield for the farm.

Subsection (d) of new section 313A authorized the Secretary to convert farm marketing quotas to acreage allotments on the basis of farm normal yields. At present the Secretary has somewhat similar authority under section 313(g) to provide for acreage allotments by converting State marketing quotas to State acreage allotments and apportioning them to farms. As in section 313(g), when acreage allotments are used, the actual production of the farm acreage allotment constitutes the farm marketing quota.

Subsection (e) of new section 313A applies provisions of section 313(g), modified as necessary, to the new apportionment method. These provide for reductions in farm acreage allotments (farm marketing quotas in certain cases) for falsely identifying tobacco, failing to furnish proof of disposition, participating in false reports, or producing two crops on the same acreage.

Section 2 amends the heading of section 313 to indicate that it is not applicable when marketing quotas are apportioned in the manner provided by the bill.

Section 3 provides that the bill shall become effective beginning with the 1966 crop. As indicated above, it would probably not be fully effective until the 1967 crop, since the price support data to be used in reducing farm bases would probably not be available in time to be applied to the 1966 crop apportionment.

Mr. President, the substitute which I have proposed for myself and the distinguished Senator from Florida would not penalize the producers of Flue-cured tobacco who are producing a high quality tobacco that finds a ready, willing, and available buyer in the marketplace. It would, however, reduce the production of the tobacco for farmers who produce an inferior quality tobacco that has been going into the commodity stabilization program in recent years in enormous quantities.

In order to enlighten my colleagues and reveal the true nature of the situation, I hold in my hand some diagrams. The small amount shown in the left-hand column of the diagram is type 14 tobacco and verifies the fact that only a slight percentage of its production receives support. The other types of Flue-cured tobacco are indicated by the tall columns, representing a much higher percentage of price-supported production.

The same situation has been true, without exception, for 17 years.

It is unfair and discriminatory to penalize the producers of tobacco who have sold their tobacco merely because others have produced an inferior quality of tobacco that has not found a marketplace.

The bill, if enacted, would reverse a lawsuit that has been won by the farmers of Georgia and South Carolina. The law applicable to the lawsuit is found on page 192 of the hearings, which each Senator will find on his desk.

Section 301(b) of the Agricultural Adjustment Act of 1938 provides—

DEFINITIONS APPLICABLE TO ONE OR MORE COMMODITIES

For the purpose of this title, "tobacco" means one of the kinds of tobacco listed below comprising the type specified as classified in Service and Regulatory Announcements Numbered 118 of the Bureau of Agricultural Economics of the Department.

Flue-cured tobacco, comprising types 11, 12, 13, and 14.

A portion of that act reads as follows:

Provided, That any one or more of the types comprising any such kind of tobacco shall be treated as a "kind of tobacco" for the purposes of this Act if the Secretary finds there is a difference in supply and demand conditions as among such types of tobacco which results in a difference in the adjustments needed in the marketings thereof in order to maintain supplies in line with demand.

That is the law that the farmers of Georgia and South Carolina tested in Federal court and won. That is the decision that Congress is now being asked to overrule. If it is overruled, the farmers who have been producing tobacco for the marketplace, and not for a Government warehouse, will be penalized. The tobacco farmers in that region have an average allotment of about 2 acres. In many instances, that allotment provides their sole monetary income for an entire year. If those people are penalized, those who are among the lowest income group in the United States will be penalized.

We are being asked to pass poverty programs, and we have passed several of them. I certainly favor eliminating poverty wherever that can conceivably be done. But in this area, the tobacco farmers are working. They are trying to earn a living by the sweat of their brows on their own farms, their own small, humble plots of ground. In the bill, we are asked, at one fell swoop, to put them into a more poverty-stricken class for the benefit of the great many farmers who produce large volumes of tobacco of an inferior quality.

I asked one witness who appeared before our committee what his tobacco allotment was. His answer was, "I don't know; several hundred acres."

I said, "Do you mean to tell me that you do not know what your tobacco allotment is? Every farmer in my State knows within a fraction of an acre what his allotment is."

It developed upon further inquiry that the particular so-called farmer had a tobacco allotment of 2,200 acres. That is the type of people who are requesting that Congress impose further restrictions on the humble small farmers who have already planted their crops, who have already nurtured them in the ground, who have been into the courts of the United States—the district courts and the circuit courts of appeals—and have won their lawsuit. Now we are asked to reverse the result of that lawsuit by an act of Congress. We are asked to penalize further those humble small farmers for the benefit of the man who had a 2,200 allotment but did not even know what size allotment he had. "Several hundred acres," was his evasive answer.

I hope the Senate will do no such injustice or inequity. I hope the Senate will approve the amendment in the nature of a substitute which I have offered in my behalf and in behalf of the distinguished senior Senator from Florida.

Mr. HOLLAND. Mr. President, I compliment and congratulate the distinguished Senator from Georgia on his fine presentation of a case that has real equity and yet is being presented to the Senate with only seven Senators in the Chamber, including the Presiding Officer, the distinguished Senator from New York [Mr. KENNEDY]. It is a pity that when a matter which strikes at the money income of a great many thousand small people is being considered by the Senate, we find ourselves unable to reach the ears of Senators who, I know, want to do the equitable thing. There is only one equitable thing that could be done in this case.

My own State of Florida is a very small producer of Flue-cured tobacco. According to the testimony in the hearing record, some 5,200 Florida farmers produce Flue-cured tobacco on a total of about 12,000 acres. That is a little more than 2 acres per farmer, on the average. Many farmers have less than 2 acres.

Flue-cured tobacco is the principal money crop of a great many of our people who live in that part of Florida which does not have the advantage of a thriving tourist industry, which does not have the advantage of a tremendous vegetable and fruit production, but which is largely dependent upon the production of staple crops. Flue-cured tobacco is the principal money crop, as I have already stated, for some thousands of mighty good Americans who happen to be producers of that kind of tobacco in Florida.

A somewhat comparable situation exists in Georgia, except that Georgia has approximately five times as great a production of Flue-cured tobacco, and something like five times as many families are directly affected by this problem, as compared with the situation in my own State of Florida.

In South Carolina, we cannot break down the number of producers of Flue-cured tobacco of type 14, the kind which is produced in Georgia and Florida, as compared with those who produce other types of tobacco, but several thousand producers in South Carolina produce Flue-cured tobacco of type 14, which I shall speak about in a moment, and which has been so ably discussed by the distinguished Senator from Georgia [Mr. TALMADGE], who certainly knows this industry from top to bottom, and has shown that knowledge as Governor of his State—and he was a great Governor. He has shown it for years in the Committee on Agriculture and Forestry, where he has been the principal spokesman for the Flue-cured tobacco producers.

This trouble was caused not by the producers of type 14 tobacco, but by the producers of other types of Flue-cured tobacco. In order that the RECORD may clearly show that what I am about to say

is correct, I shall ask for the inclusion in the RECORD as a part of my remarks of two or three of the portions of compilations appearing in the record of committee hearings.

On page 173 of the hearings, the third of the tables that are included shows the following:

Proportion of production by type going into stabilization corporation storage (percent).

This covers the years beginning with 1961 and continuing through 1964, with the understanding that as to 1964 the figures are estimates all the way through. But I believe they are substantially correct, because that has been the case every year that we have obtained these data from the well-operated tobacco division of the U.S. Department of Agriculture.

It appears that in 1961 the percentage of tobaccos of the five types which comprise Flue-cured tobacco, which went to the Stabilization Corporation—that is, into Government warehouses—was not greatly variant. It ran all the way from 2.8 to 8.1 percent, but nothing like the variance that has occurred since that time.

Beginning with 1962, Senators will note that as to type 14 tobacco, every year, only a minor percentage of the percentage of the production has gone into Government warehouses. For instance, in 1962, 2.6 percent of type 14 tobacco went to the Government; in 1963, 3 percent; in 1964, 1.7 percent; or a total average of about 2.9 percent.

I state again that the figure for 1964 is an estimate. Therefore, that makes the average somewhat of an estimate, although it must be almost correct.

If we consider each of the other types of tobacco not produced in Florida, not produced in Georgia, and not produced in the southern part of South Carolina, we shall see an entirely different picture.

As to type 13, in 1962, 10.8 percent of that type went to the Government warehouses. In 1963, it was 13.2 percent. In 1964, it was 13.8 percent. That is an average of 12.6 percent.

As to type 12, it was 16.5 percent in 1962, 14.9 percent for 1963, and 28.6 percent for 1964. That is an average of 20.0 percent for the 3 years.

If we go to type 11B, it was 20.4 percent for 1962, 23.3 percent for 1963, and 20.6 percent for 1964. That is an average of 21.4 percent.

As to type 11A, which has been the biggest offender of all, 32.2 percent in 1962 went to the Government; 45.8 percent went to the Government warehouses in 1963, and 21.3 percent in 1964. That is an average of 33.1 percent in those particular years.

I call attention to this fact because if one wishes to turn now to the next exhibit, found on pages 105 and 106 of the printed record, he will find the reason why the other types of tobacco have been building up heavy surpluses in the Government warehouses. They are the types which ought to contribute out of proportion to the solving of this catastrophe which they have brought on the Flue-cured tobacco industry. For instance, the compilation on page 105 shows the figure with reference to Florida type 14. It shows that, whereas in 1961 we produced in our State an average of 1,850 pounds per acre, we were still at about that figure in 1964. We were producing 1,765 pounds per acre. As to the total production, we had brought it down from a total of 25,900,000 pounds to a total of 22,239,000 pounds.

That shows rather clearly that we had not only not heavily built up our production per acre, but that we had also not built up the total produced. That was one of the reasons why our tobacco was still a superior type, 1's and 2's, and was taken by the buyers on the tobacco market.

Let us look at the figures for Georgia. For 1961, it will be noted that the farmers in Georgia produced 1,930 pounds per acre, as against 1,930 pounds, or that same average, for 1964.

If we look across the table to see the volume produced in that great State, the total volume went from 136 million pounds in 1961 down to 122.5 million in 1964. In other words, in the States of Florida and Georgia, where type 14 tobacco was being produced, and where the tobacco found a ready market, sold for a good price, and did not have to encumber Government warehouses, there was not an effort to step up heavily the production per acre, which we find in the great State so ably represented by my distinguished friend, the junior Senator from North Carolina [Mr. JORDAN].

If we look at the North Carolina figures, we find a very different situation. In 1961, in North Carolina, the average production of type 11 per acre was 1,670 pounds per acre. If we look at the year 1964, we find that the average production per acre had been forced up to 2,150 pounds per acre, or an increase of nearly 500 pounds per acre in those 3 years.

If we look at the total production, we see what happened. From a production of 303,940,000 pounds of type 11 tobacco in 1961, the North Carolina Flue-cured tobacco farmers had increased their production to a total of 352,600,000 pounds, or a total of nearly 50 million pounds increase in production in those 3 years.

If we look at the next tabulation, we find that in North Carolina for type 12 production, the farmers producing that type in 1961 produced an average of 1,875 pounds per acre, whereas, in 1964, they had forced the average production up to 2,375 pounds per acre, or an average of 500 pounds per acre increase in the production of type 12.

If we look across the table to see the total volume of type 12 tobacco produced in that great State, the Tarheel State, we find that the farmers in North Carolina produced 421 million pounds plus of type 12 tobacco in 1961, whereas, in 1964, they produced 479 million pounds plus, or an increase of 58 million pounds in that particular type alone in 3 years.

I do not like to burden the RECORD with these facts, but they are facts. They ought to appear in the RECORD. They show clearly who has trespassed, and who has abused the protective cloak which Congress has tried to give the producers of Flue-cured tobacco to put around their shoulders. It shows who should receive a penalty, rather than placing the penalty upon those who do not deserve it.

If we look at page 106, we find what happened in the great State of North Carolina in the production of type 13 tobacco in those same years. In 1961, the average type 13 tobacco produced in North Carolina was 1,900 pounds, as against 2,350 pounds per acre in 1964. The total volume of production of that kind of tobacco had gone up in those 3 years from 106,400,000 pounds to 117,500,000 pounds.

Figures of this kind do not lie; they tell the facts. They reveal that the producers of Flue-cured tobacco in North Carolina, notwithstanding the fact that I am sure they met the acreage quotas by having to cut down their acreage as the acreage allotments were given, nevertheless did two things. They not only piled on the fertilizer and planted the tobacco closer together, but they also utilized—and this is the pitiful point—a new planting of tobacco turned out by a couple of nurseries, which planting was designed to greatly outproduce in poundage per acre that which had been produced before.

The record shows these things. I am only asking whether it is fair or equitable to put this particular hardship upon those who have not produced this catastrophe of tremendous warehouse supplies and oversurplus production. Why is it fair to place the penalty upon those who have not contributed to it, those who have been able to sell their crop for money on the barrelhead in their markets to the degree shown by the figures which I quoted?

In case I have not asked to do so, I ask unanimous consent that the table shown at page 173 of the hearings, part of which I quoted—the third compilation on page 173—be printed in the RECORD as a part of my remarks.

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

TABLE 5.—*Production and accumulations of Stabilization Corporation stocks of Flue-cured tobacco, by types, 1961–64* [1]

	1961	1962	1963	1964	Total
Proportion of production by type going into Stabilization Corp. storage (percent):					
Type 14	4.1	2.6	3.0	[2] 1.7	[2] 2.9
Type 13	2.8	10.8	13.2	[2] 13.8	[2] 10.5
Type 12	8.1	16.5	14.9	[2] 28.6	[2] 17.6
Type 11b	4.2	20.4	23.3	[2] 20.6	[2] 18.0
Type 11a	7.1	32.2	45.8	[2] 21.3	[2] 27.5
Total	5.6	16.9	20.3	[2] 19.3	[2] 16.1

[1] Sources: "Flue-Cured Tobacco Market Review," TOB–FL–7, AMS, USDA, Washington, DC., March 1964; "Flue-Cured Tobacco Market Review," TOB–FL–6, AMS, USDA, Washington, D.C., March 1963; "Tobacco Situation," TS-110, ERS, USDA, Washington, D.C., December 1964; and "News Letter," Flue-Cured Tobacco Stabilization Corp., Raleigh, N.C., Jan. 4, 1965.

[2] Preliminary.

Mr. HOLLAND. Mr. President, I also ask unanimous consent that the various

tables from which I quoted on pages 105 and 106 be placed in the RECORD; namely, the one covering Florida, type 14, and showing Georgia, type 14, and the three covering North Carolina, type 11, type 12, and type 13.

There being no objections, the tables were ordered to be printed in the RECORD, as follows:

U.S. Flue-cured tobacco: Average, yield per acre, production, price per pound, and crop value by types within States, 1956–64

FLORIDA, TYPE 14

Year	Acreage	Yield per acre	Production	Price per pound	Crop value	Year	Acreage	Yield per acre	Production	Price per pound	Crop value
	Acres	*Pounds*	*1,000 pounds*	*Cents*	*1 000 dollars*		*Acres*	*Pounds*	*1,000 pounds*	*Cents*	*1,000 dollars*
1956	17,700	1,225	21,682	48.5	10,516	1961	14,000	1,850	25,900	60.6	15,695
1957	11,400	1,350	15,390	56.7	8,726	1962	14,800	1,960	29,008	56.3	16,332
1958	11,100	1,485	16,484	57.3	9,445	1963 [1]	14,000	1,845	25,830	57.0	14,723
1959	13,900	1,395	19,390	59.8	11,595	1964 [1]	12,600	1,765	22,239		
1960	13,800	1,595	22,011	57.2	12,590						

GEORGIA, TYPE 14

1956	88,000	1,455	128,040	48.5	62,099	1961	70,500	1,930	136,065	59.0	80,278
1957	63,000	1,290	81,270	56.1	45,592	1962	74,000	1,975	146,150	57.0	83,306
1958	58,000	1,545	89,610	57.5	51,526	1963 [1]	70,500	2,025	142,762	58.0	82,802
1959	69,000	1,520	104,880	58.1	60,935	1964 [1]	63,500	1,930	122,500		
1960	70,000	1,845	129,150	56.8	73,357						

NORTH CAROLINA, TYPE 11

1956	227,000	1,525	346,175	50.2	173,780	1961	182,000	1,670	303,940	64.2	195,129
1957	170,000	1,355	230,350	53.8	123,928	1962	191,000	1,860	355,260	60.3	214,222
1958	163,000	1,570	255,910	57.6	147,404	1963 [1]	182,000	1,790	325,780	56.9	185,369
1959	180,000	1,450	261,000	55.2	144,072	1964 [1]	164,000	2,150	352,600		
1960	179,000	1,630	291,770	60.4	176,229						

NORTH CAROLINA, TYPE 12

1956	282,000	1,760	496,320	51.8	257,094	1961	225,000	1,875	421,875	65.5	276,328
1957	218,000	1,535	334,630	54.8	183,377	1962	234,000	1,825	427,050	59.8	255,376
1958	213,000	1,825	388,725	57.7	224,294	1963 [1]	223,000	2,140	477,220	58.7	280,128
1959	223,000	1,550	345,650	58.7	202,897	1964 [1]	202,000	2,375	479,750		
1960	223,000	1,980	441,540	61.2	270,222						

NORTH CAROLINA, TYPE 13

1956	70,000	1,700	119,000	55.0	65,450	1961	56,000	1,900	106,400	65.8	70,011
1957	55,000	1,560	85,800	59.6	51,137	1962	58,000	2,250	130,500	61.3	79,996
1958	53,000	1,740	92,220	60.3	55,609	1963 [1]	55,500	2,120	117,660	59.6	70,125
1959	55,500	1,735	96,292	62.4	60,086	1964 [1]	50,000	2,350	117,500		
1960	55,500	1,920	106,560	62.2	66,280						

[1] Preliminary.

Source: Compiled from reports of the Agricultural Estimates Division, SRS.

Mr. HOLLAND. Mr. President, it is also a lamentable fact that growers right across North Carolina, in Virginia, did the same thing. If Senators will look at the last part of that page, on page 106 of the hearing record, they will find the compilation covering Virginia, type 11. They will find that the per acre production went from 1,580 in 1961 to 2,100 in 1964, and that total production went from 111 million pounds in 1961 to 132 million pounds in 1964.

I ask unanimous consent that that particular tabulation, covering Virginia type 11, be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD.

U.S. Flue-cured tobacco: Average yield per acre, production, price per pound, and crop value by types within States, 1956–64

VIRGINIA, TYPE 11

Year	Acreage	Yield per acre	Production	Price per pound	Crop value	Year	Acreage	Yield per acre	Production	Price per pound	Crop value
	Acres	*Pounds*	*1,000 pounds*	*Cents*	*1,000 dollars*		*Acres*	*Pounds*	*1,000 pounds*	*Cents*	*1,000 dollars*
1956	88,000	1,560	137,280	52.8	72,484	1961	70,500	1,580	111,390	63.5	70,733
1957	67,000	1,470	98,490	51.2	50,427	1962	73,500	1,760	129,360	62.0	80,203
1958	65,000	1,640	106,600	57.9	61,721	1963	69,000	1,725	119,025	54.0	64,274
1959	70,500	1,560	109,980	54.4	59,829	1964	63,000	2,100	132,300		
1960	70,000	1,590	111,300	59.4	66,112						

Mr. HOLLAND. Anyone with an objective mind, trying to do the right thing, is of good character, and is trying to do the best to do a good job—could not look at the record without coming necessarily to the conclusion that there is only one reason why the surplus has been built too high. It is because those who have produced Flue-cured tobacco other than type 14 produced so much that there has been no ready market for it, and a great quantity of it has had to go into Government warehouses. I do not need to expand on that fact. The figures speak for themselves. There is no doubt that that is the case.

It is because that is the case that I feel, in the first instance, that the proposed law would be unfortunate and unfair.

The second reason why I feel it would be unfair has to do with the fact that, no matter how speedily the Congress enacts the bill under pressure from the administration, and under the pressure of the Department handling the matter, the Department of Agriculture, we must all remember that the Under Secretary is a North Carolinian. He appeared at our committee hearings. The head of the CCC organization which buys in this product and has it under his jurisdiction is another North Carolinian. I would not charge them with having said anything falsely before our committee. They know the situation in their State

and realize what it is. They are bound to be most sympathetic to the situation there. They have shown that sympathy by bringing in this kind of legislation at this time.

The same group of officials last fall proposed an entirely different sort of procedure. They suggested that the acreage be cut by 19½ percent. They submitted a referendum to the producers of Flue-cured tobacco. Senators know that such a referendum has to be approved by some two-thirds of the growers before it can be put into effect. It was so approved. It has been followed by those who have planted, including many in my own State, including many in the adjoining State of Georgia. It will have covered everyone. It has to be approved by Congress. A large number of amendments have to be considered by the other body. Then it has to go to the President and be signed. It then becomes the subject of a referendum. This is not a first impression referendum. It is a referendum to set aside the 19½-percent acreage cut which has been already voted, and would supplant that with one which would combine the acreage and tonnage features.

If any Senator wishes to correct me if I am not accurate in my statement, I will yield for him to do so; but, as I recall it, they expected to submit the proposal of a cut of 10 percent in acreage, rather than 19½ percent, and with a poundage control such as is embraced in this measure.

So it is proposed, with all the haste that can be generated in such a bill, as a bill hereafter to be effective, when much of the acreage has been planted, to race that onto the floor of the House and to race it to a referendum, and then ask the tobacco growers to vote on it, knowing full well that the votes of those in North Carolina and southern Virginia are enough to adopt this particular measure.

Everybody knows that. We know what we are confronted with.

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

Mr. HOLLAND. I yield to the Senator from Ohio.

Mr. LAUSCHE. What is the difference between the substitute amendment which has been offered and the bill as reported by the committee?

Mr. HOLLAND. I would be glad to answer that, but I yield to the Senator from Georgia [Mr. TALMADGE], who is more familiar with it. I would be glad to try to answer, but I am afraid I would leave out something important.

Mr. TALMADGE. The bill as reported by the Committee on Agriculture and Forestry and as submitted by the House would require every farmer to have a poundage quota as well as an acreage allotment, whereas the substitute that has been proposed by the Senator from Florida and myself would direct the Secretary of Agriculture to reduce the quota, either by acreage or poundage, of the farmer who produces a surplus that goes into the Government warehouse. The penalty would properly be paid on farmers who produce an inferior tobacco, and not on farmers who produce a tobacco finding a ready, willing, and able buyer on the marketplace.

Mr. LAUSCHE. What effect, if any, would the bill as reported by the committee have upon the farmers in Florida and Georgia?

Mr. TALMADGE. It would have a very substantial effect. First, it would nullify a lawsuit those farmers have won in the U.S. district court and again in the circuit court of appeals. That lawsuit was won by those farmers in a unanimous decision.

Second, it would change the method of allocating acreage and poundage even after those farmers had planted a crop already growing in the field. It would be an inconceivable proposal to require different acreage and poundage requirements after the farmers were authorized last December to do what they have now done.

Mr. LAUSCHE. In the event the amendment offered by the Senators from Georgia and Florida is adopted, will there be any restrictions either by acreage or poundage on the growers of Flue-cured tobacco?

Mr. TALMADGE. Yes. The Secretary of Agriculture would be authorized and directed to reduce the marketing quota of the individual farmer in direct ratio to the amount of tobacco he contributed to the surplus that went into commodity stabilization.

Mr. LAUSCHE. Do I correctly understand that the purpose of the substitute is to impose a penalty upon those who, by increased production, create the surplus, but that the same penalty would also be imposed upon the Georgia and Florida growers, except that it would be less in degree, being proportionate to the increase which contributed to the surplus?

Mr. TALMADGE. The Senator is correct. It would impose a penalty on every farmer, on every type of tobacco, in every area, if his tobacco went into surplus in a Government warehouse instead of into a market sale. In other words, it would encourage farmers to produce for the marketplace and not the Government warehouse.

Mr. LAUSCHE. I thank the Senator from Georgia.

Mr. JORDAN of North Carolina. Mr. President, will the Senator from Florida yield, so that I may elaborate on this subject.

The PRESIDING OFFICER (Mr. KENNEDY of New York in the chair). Does the Senator from Florida yield to the Senator from North Carolina?

Mr. HOLLAND. I am glad to yield.

Mr. JORDAN of North Carolina. As to the question asked by the Senator from Ohio [Mr. LAUSCHE], the Secretary of Agriculture has already ordered a 19½ percent reduction in acreage for this year. The bill—regardless of whether it passes or not—will involve a 19½-percent reduction if it passes. If it does not pass, it will be the same thing. The 19½ percent reduction in acreage will stand, regardless of whether the bill fails or passes.

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

Mr. HOLLAND. I yield.

Mr. TALMADGE. My understanding is that one of the amendments offered by the Senator from Kentucky [Mr. COOPER], which was agreed to by the committee, would place a ceiling of 10 percent on the reduction of any tobacco; therefore, his statement is not quite correct. I believe that the last amendment offered by the Senator from Kentucky would limit reduction to 10 percent instead of 19½ percent.

Mr. JORDAN of North Carolina. If the Senator will look it up, he will find that the 10 percent was a reduction on the displacement of the amount of tobacco in storage at the present time. In other words, the farmer could not dump his acreage in any one year, because it would completely ruin him. But we considered that the bill would treat the farmer better on an acreage-poundage bill than it would under the 19½ percent cut, because this would restore 12 percent of the acreage taken away from the farmer under the 19½ percent which he would get under the Secretary's order at the present time.

It would put 12 percent of that acreage back which the farmer can plant this year. He will not have to plant his tobacco so close together, fertilize it so heavily, irrigate it, harvest it, or market it. This will save him a great deal of money and will result in a much better grade of tobacco, because he will not be forced to grow his tobacco so close together, use high-priced fertilizer, irrigate it, and do other things which run up production costs on tobacco.

But, regardless of the type of tobacco which is grown, there is approximately a billion pounds too much tobacco in this country. We must reduce our stocks of tobacco over a period of years, or the whole tobacco program will fold up and cause serious trouble.

I thoroughly agree with the Senator about the position of the tobacco farmer today. There are 120,000 allotments in North Carolina. That is a large number of tobacco farms. That is farm allotments, not growers—approximately 120,000 tobacco farms in North Carolina.

The land on a tobacco farm averages 4 acres, and the tobacco farms stretch all along the entire State of North Carolina. I suppose this is also the case in Georgia and Florida.

Mr. TALMADGE. About half that.

Mr. JORDAN of North Carolina. The tobacco farms in the State of Georgia average 2 acres, I believe.

Mr. TALMADGE. The Senator is correct.

Mr. JORDAN of North Carolina. This bill, as I see it—and I believe I am absolutely correct—is designed to save the small farmer, not the big farmer, who can be hurt badly by the acerage-poundage bill. Consider a farmer with 4 acres planted in tobacco this year, which is cut 19.5 percent—which is nearly 20 percent. He winds up with a little over 3 acres. He is taking a great cut. If it is cut further next year, he will have something left; but pretty soon nothing will be left.

There are thousands of farms in North Carolina, South Carolina, and Georgia which consist of less than 1 acre. Take 20 percent from that 1 acre and there is

not much left to fill a barn to cure any tobacco. The bill would keep the acreage almost intact. The farmer would be working on a formula.

Let me mention one further point. Figures have been quoted from the 1964 crop. The 1964 crop was an abnormally high crop. It was not considered in drafting this bill. The committee took the 3 highest years of the preceding 5 years, leaving out the 1964 crop, which was an abnormally high yield crop and should not have been taken into consideration. I believe that answers the question.

Mr. LAUSCHE. Will the Senator from Florida yield for the purpose of a question?

Mr. HOLLAND. I yield.

Mr. LAUSCHE. The Senator from North Carolina [Mr. JORDAN] stated that whether the bill is or is not passed, by order of the Secretary of Agriculture there will be a reduction in acreage of 19½ percent; is that correct?

Mr. JORDAN of North Carolina. No; that is not exactly correct. I may have misstated myself.

Mr. LAUSCHE. Perhaps I misunderstood.

Mr. JORDAN of North Carolina. If the bill does not pass, there will be a 19½ percent acreage reduction. If it does pass and is approved by a two-thirds vote of all the farmers—because, remember, the farmers themselves must vote on the bill or else it will not become effective anyway—if they do vote in the referendum to accept the bill, as reported by the Senate committee, 12 percent of the 19½ percent acres will be restored to them, in order that they might not grow inferior tobacco on the small acres and spread it over more acres, using less fertilizer, and not till the land intensively, as they are doing at the present time.

Mr. LAUSCHE. What will be the percentage of reduction in acreage in the event the committee's bill is passed and approved? I understand the Senator from North Carolina [Mr. JORDAN] to have stated that if it is not passed, the reduction will be 19½ percent.

Mr. JORDAN of North Carolina. The Senator is correct.

Mr. LAUSCHE. But if it is passed, there will be an advantage provided to the farmer in a quantity—did he say 7½ percent?

Mr. JORDAN of North Carolina. Approximately 12 percent.

Mr. LAUSCHE. Approximately 12 percent.

Mr. JORDAN of North Carolina. Instead of being cut 19½ percent, it would be cut 6 or 6½ percent.

Mr. HOLLAND. Mr. President, this bears out the statement I was making that it is designed by the bill to enlarge the acreage permitted to be used for production in 1965.

There is a statement in the House report which I believe makes clear what was expected to be done under the bill as it was then. It has been slightly changed by Senate committee action.

The House report states that the national acreage factor will be determined by dividing the new 1965 national acreage allotment by the national acreage allotment currently in effect for the 1965 crop, which goes into tobacco; namely, 514,265 acres. This factor would be approximately 1.180, and would restore the 1965 farm acreage allotment to approximately 95 percent of the 1964 acreage allotment, so it would cut out the 19½ percent acreage allotment already voted by the growers by more than two-thirds last December, in order to put in this new formula which according to the statement in the House report would bring up acreage allotments to approximately 95 percent of 1964.

Mr. LAUSCHE. Am I correct in understanding that under the order of the Secretary of Agriculture, the cut will be 19½ percent, and under the bill it would be approximately 5 to 6 percent?

Mr. HOLLAND. The Senator is substantially correct, except that this was not accomplished by order of the Secretary of Agriculture, but was accomplished by an offer of his made to the farmers by a referendum, which they approved by more than a two-thirds vote. Under approval of that offer the acreage for 1965 was to be reduced by 19½ percent from the 1964 acreage as to those already planted whose crops are already grown, of course. That allotment, we believe, has been followed. Whether everyone has followed it, I do not know, but any prudent man would have followed that new allotment.

Mr. LAUSCHE. What was at issue in the lawsuit that was discussed?

Mr. HOLLAND. The issue in the lawsuit discussed had to do with the failure of the Department of Agriculture or the Secretary of Agriculture to differentiate between type 14 tobacco and the other types of Flue-cured tobacco under the provisions of the law.

I am quoting now from the law, section 301 of the Agricultural Adjustment Act of 1938, as amended:

SEC. 301. (a) * * *.

(b) DEFINITIONS APPLICABLE TO ONE OR MORE COMMODITIES.—For the purpose of this title—

* * * * *

(15) "Tobacco" means each one of the kinds of tobacco listed below comprising the types specified as classified in Service and Regulatory Announcement Numbered 118 of the Bureau of Agricultural Economics of the Department:

Flue-cured tobacco, comprising types 11, 12, 13, and 14—

Then omitting all the other part of this section, which deals with other types of tobacco and with other commodities:

The provisions of this title shall apply to each of such kinds of tobacco severally: *Provided*, That any one or more of the types comprising any such kind of tobacco shall be treated as a "kind of tobacco" for the purposes of this Act if the Secretary finds there is a difference in supply and demand conditions as among such types of tobacco which results in a difference in the adjustments needed in the marketing thereof in order to maintain supplies in line with demand.

Mr. President, it was the contention of those producers of type 14 tobacco, who went first to the district court and won their suit there, that the Secretary, looking at the figures that have been placed in the RECORD by the able Senator from Georgia and also by myself, in a somewhat different form, will see clearly who are the ones who have abused this program and who are the ones who have built up the tremendous surplus. They show clearly and exactly what is required by law, and the Secretary of Agriculture could have, and in this suit these growers claim should have, found that "there is a difference in supply and demand conditions as among such types of tobacco which results in a difference in the adjustment needed in the marketings thereof."

Judge Scarlett, one of our able district court judges—I believe he sits in Savannah—ruled with the growers. An appeal was taken to the circuit court of appeals, at New Orleans. Although the decision on the appeal stated that some other things had to be done, it made it very clear that the Secretary was advised to look at the law and at the figures, to see if something should not be done in connection with the law.

The case has not come to final hearing. The able attorney for the tobacco section was before our committee. He was asked the question, as I recall, by the distinguished Senator from Georgia, "Why has not that case been appealed?" As I recall, his answer—Senators will have to go to the record to find the exact answer—was substantially that the Secretary had not decided whether he wished to appeal or, instead, depend upon the passage of the proposed legislation, which is now before us, which would allow him to ignore that suit—one thing or the other, and not the two together.

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

Mr. HOLLAND. I yield.

Mr. LAUSCHE. Has any thought been given to the insertion of a saving clause, so as to protect the rights of the litigants in the action that is pending?

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. HOLLAND. I shall be glad to yield in a moment. I have not given such thought. I am not a member of the subcommittee.

Mr. TALMADGE. Mr. President, will the Senator yield on that point?

Mr. HOLLAND. I yield to the Senator from Georgia. I am sure he can give the exact answer.

Mr. TALMADGE. It would change the entire method and manner of allocating and apportioning tobacco. The pending bill would provide an acreage-poundage basis, whereas the existing law authorized the Secretary to separate tobacco by classes, depending upon the production. If the Senator from Florida will yield for the purpose, I ask unanimous consent that the statement of Mr. Homer S. Durden, Jr., attorney for the Georgia Commodity Commission for Tobacco, of Swainsboro, Ga., at pages 191 to 195 of the hearings, be printed in the RECORD at this point.

Mr. HOLLAND. I have no objection.

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

STATEMENT OF HOMER S. DURDEN, JR., ATTORNEY FOR THE GEORGIA COMMODITY COMMISSION FOR TOBACCO, SWAINSBORO, GA.

Mr. DURDEN. My name is Homer S. Durden, Jr., of Swainsboro, Ga. I am the attorney for the Georgia Commodity Commission

for Tobacco and I am speaking for Mr. Otis G. Turner, chairman, who is unable to attend this meeting because of illness.

The Georgia Commodity Commission for Tobacco is opposed to this proposed legislation on the grounds that first, the law already provides for quotas on tobacco on the basis of poundage in that the national marketing quota is determined by the Secretary of Agriculture and he proclaims the number of pounds of tobacco for the succeeding year on the basis of poundage which, under current law, he may convert to acreage basis when making the allocation of tobacco to the various States. This conversion from poundage as based on the national marketing quota to acreage to the individual State quotas is permissive and is not mandatory and it is our contention and belief that no additional legislation is necessary to establish a poundage quota basis.

Further, we oppose the proposed legislation in that no consideration is given to the farmers whose crops do not go into Stabilization. In the type 14 belt, less than 2 percent of the Flue-cured tobacco goes into Stabilization. In other belts as much as 43.6 percent goes into Stabilization. It is the tobacco held in Stabilization that primarily constitutes the surplus faced by the tobacco industry today. Of the 961 million pounds of tobacco held in Stabilization, approximately 17 million pounds represents type 14 Flue-cured tobacco. We strongly urge and believe that the quota should be adjusted taking into consideration the amount a farmer places in Stabilization from his production and sale of tobacco, and that it is not equitable to cut the quota of farmers who are not contributing to surplus in the same percentage and amount as for the farmer who is contributing to the surplus.

Rather than new legislation, we feel that a proper administration of the current law is in order. We are familiar with the statement presented by Mr. William L. Lanier, president of the Georgia Farm Bureau Federation, and adopt his presentation as ours.

I will be glad to answer any questions. I realize you are working against a time deadline.

Senator JORDAN. We are glad to have you, sir. Mr. Lanier made a fine statement yesterday. Senator TALMADGE?

Senator TALMADGE. Yes. Mr. Durden, did I understand your testimony to be that the Secretary of Agriculture now has the authority under the present law to set acreage quotas in accordance with types?

Mr. DURDEN. Yes, sir.

Senator TALMADGE. Do you have a copy of that act with you?

Mr. DURDEN. In my code. I don't have it with me.

Senator TALMADGE. Will you provide it for insertion in the record?

Mr. DURDEN. I can give you the code section, Senator.

Senator JORDAN. We have the code right here. What is the section number?

Mr. DURDEN. 7 U.S.C. 1331 I believe, or 1313.

Mr. HARKER T. STANTON (committee counsel). Section 301(b)(15) of the Agricultural Adjustment Act of 1938 provides that any one or more types of tobacco shall be treated as a "kind of tobacco" for purposes of the act if the Secretary finds there is a difference in supply and demand conditions which requires different marketing adjustments. Section 313(1) provides for increasing quotas and allotments for farms producing particular types of tobacco where necessary to make available adequate supplies of those types.

The Secretary also has authority to apportion quotas on a poundage basis.

Sections 313 (a) and (b) provide for the proclamation of national marketing quotas their apportionment to States and farms on a poundage basis.

Subsection (g), which was added to section 313 in 1939, authorizes the Secretary of Agriculture to convert State marketing quotas into State acreage allotments, and allot them to farms on a basis similar to that provided for the apportionment of poundage quotas.

Mr. DURDEN. That is permissive.

Mr. STANTON. Yes. The Secretary has the authority to make farm allotments on either an acreage basis or a poundage basis.

Senator TALMADGE. I would like to incorporate that in the record, if it is your contention.

Mr. DURDEN. Yes, sir.

(The information submitted by Mr. Stanton is as follows:)

"THE AGRICULTURAL ADJUSTMENT ACT OF 1938

"SEC. 301. (a) * * *

"(b) Definitions Applicable to One or More Commodities.—For the purpose of this title—

* * * * *

"(15) 'Tobacco' means each one of the kinds of tobacco listed below comprising the types specified as classified in Service and Regulatory Announcement Numbered 118 of the Bureau of Agricultural Economics of the Department:

"Flue-cured tobacco, comprising types 11, 12, 13, and 14;

"Fire-cured tobacco, comprising types 21, 22, 23, and 24;

"Dark air-cured tobacco, comprising types 35 and 36;

"Virginia sun-cured tobacco, comprising type 37;

"Burley tobacco, comprising type 31;

"Maryland tobacco, comprising type 32;

"Cigar-filler and cigar-binder tobacco, comprising types 42, 43, 44, 45, 46, 51, 52, 53, 54, and 55;

"Cigar-filler tobacco, comprising type 41.

"The provisions of this title shall apply to each of such kinds of tobacco severally: *Provided*, That any one or more of the types comprising any such kind of tobacco shall be treated as a 'kind of tobacco' for the purposes of this Act if the Secretary finds there is a difference in supply and demand conditions as among such types of tobacco which results in a difference in the adjustments needed in the marketings thereof in order to maintain supplies in line with demand: *Provided further*, That with respect to the 1958 and subsequent crops, type 21 (Virginia) Fire-cured tobacco shall be treated as a 'kind of tobacco' for the purposes of all of the provisions of this title, except that for the purposes of section 312(c) of this title, types 21, 22, and 23, Fire-cured tobacco shall be treated as one 'kind of tobacco'.

* * * * *

"APPORTIONMENT OF NATIONAL MARKETING QUOTA

"SEC. 313. (a) The national marketing quota for tobacco established pursuant to the provisions of section 312, less the amount to be allotted under subsection (c) of this section, shall be apportioned by the Secretary among the several States on the basis of the total production of tobacco in each State during the five calendar years immediately preceding the calendar year in which the quota is proclaimed (plus in applicable years, the normal production on the acreage diverted under previous agricultural adjustment and conservation programs), with such adjustments as are determined to be necessary to make correction for abnormal conditions of production, for small farms, and for trends in production, giving due consideration to seed bed and other plant diseases during such five-year period. * * *

"(b) The Secretary shall provide, through the local committees, for the allotment of the marketing quota for any State among the farms on which tobacco is produced, on the basis of the following: Past marketing of tobacco, making due allowance for drought, flood, hail, other abnormal weather conditions, plant bed, and other diseases; land, labor, and equipment available for the production of tobacco; crop-rotation practices; and the soil and other physical factors affecting the production of tobacco: *Provided*, That, except for farms on which for the first time in five years tobacco is produced to be marketed in the marketing year for which the quota is effective, the marketing quota for any farm shall not be used less than the smaller of either (1) three thousand two hundred pounds, in the case of Flue-cured tobacco, and two thousand four hundred pounds, in the case of other kinds of tobacco, or (2) the average tobacco production for the farm during the preceding three years, plus the average normal production of any tobacco acreage diverted under agricultural adjustment and conservation programs during such preceding three years.

* * * * *

"(g) Notwithstanding any other provision of this section, the Secretary on the basis of average yield per acre of tobacco for the State during the five years last preceding the year in which the national marketing quota is proclaimed, adjusted for abnormal conditions of production, may convert the State marketing quota into a State acreage allotment, and allot the same through the local committees among farms on the basis of the factors set forth in subsection (b), using past acreage (harvested and diverted) in lieu of the past marketing of tobacco; and the Secretary on the basis of the national average yield during the same period, similarly adjusted, may also convert into an acreage allotment the amount reserved from the national quota pursuant to the provisions of subsection (c), and on the basis of the factors set forth in subsection (c) and the past tobacco experience of the farm operator, allot the same through the local committees among farms on which no tobacco was produced during the last five years. Any acreage of tobacco harvested in excess of the farm acreage allotment for the year 1955, or any subsequent crop shall not be taken into account in establishing State and farm acreage allotments. Except for farms last mentioned or a farm operated, controlled, or directed by a person who also operates, controls, or directs another farm on which tobacco is produced, the farm-acreage allotment shall be increased by the smaller of (1) 20 per centum of such allotment or (2) the percentage by which the normal yield of such allotments (as determined through the local committees in accordance with regulations prescribed by the Secretary) is less than three thousand two hundred pounds, in the case of Flue-cured tobacco, and two thousand four hundred pounds in the case of other kinds of tobacco: *Provided*, That the normal yield of the estimated number of acres so added to farm acreage allotments in any State shall be considered as a part of the State marketing quota in applying the proviso in subsection (a). The actual production of the acreage allotment established for a farm pursuant to this subsection shall be the amount of the farm marketing quota. If any amount of tobacco shall be marketed as having been produced on the acreage allotment for any farm which in fact was produced on a different farm, the acreage allotments next established for both such farms shall be reduced by that percentage which such amount was of the respective farm marketing quota, except that such reduction for any such farm shall not be made if the Secretary through the local committees finds that no person connected with such farm caused, aided, or acquiesced in such marketing; and if proof of the disposition of any amount of tobacco is not furnished as required by the Secretary or if any producer on the farm files, or aids or acquiesces in the filing of, any false report with respect to the

acreage of tobacco grown on the farm required by regulations issued pursuant to this Act, the acreage allotment next established for the farm on which such tobacco is produced shall be reduced by a percentage similarly computed. If in any calendar year more than one crop of tobacco is grown from (1) the same tobacco plants or (2) different tobacco plants, and is harvested for marketing from the same acreage of a farm, the acreage allotment next established for such farm shall be reduced by an amount equivalent to the acreage from which more than one crop of tobacco has been so grown and harvested.

* * * * *

"(i) Notwithstanding any other provision of this Act, whenever after investigation the Secretary determines with respect to any kind of tobacco that a substantial difference exists in the usage or market outlets for any one or more of the types comprising such kind of tobacco and that the quantity of tobacco of such type or types to be produced under the marketing quotas and acreage allotments established pursuant to this section would not be sufficient to provide an adequate supply for estimated market demands and carryover requirements for such type or types of tobacco, the Secretary shall increase the marketing quotas and acreage allotments for farms producing such type or types of tobacco in the preceding year to the extent necessary to make available a supply of such type or types of tobacco adequate to meet such demands and carryover requirements. The increase in farm marketing quotas and acreage allotments shall be made on the basis of the production of such type or types of tobacco during the period of years considered in establishing farm marketing quotas and acreage allotments for such kind of tobacco. The additional production authorized by this subsection shall be in addition to the national marketing quota established for such kind of tobacco pursuant to section 312 of this Act. The increase in acreage under this subsection shall not be considered in establishing future State or farm acreage allotments."

Senator TALMADGE. Is it true you are representing the Georgia Tobacco Commodity Commission, which has filed a lawsuit against the Secretary?

Mr. DURDEN. Yes, sir.

Senator TALMADGE. Is it in the nature of a mandamus?

Mr. DURDEN. Yes, sir.

Senator TALMADGE. Mandamusing him to take action in accordance with that law?

Mr. DURDEN. Not that particular section of the law, Senator TALMADGE. The lawsuit is based on the legal theory that under the law where there is a difference in supply-and-demand conditions amongst the types of Fluecured tobacco of such a degree as to warrant a difference needed in the adjustment for supply, to bring it in line with demand, the Secretary treat that type or types of Fluecured tobacco as a separate kind of tobacco.

We contend, using Government figures, that in 1963 Georgia had 2.8 percent type 14 Flue-cured tobacco to go into stabilization, where some of the other belts put in as much as 46 percent, and that there is such a difference in the supply-and-demand conditions that we should treat type 14 as a separate kind of tobacco.

Senator TALMADGE. In other words, your contention is they ought to reduce where the surplus tobacco lies?

Mr. DURDEN. Correct.

Senator TALMADGE. And not where there is no surplus tobacco.

Mr. DURDEN. That is correct.

Senator TALMADGE. What has happened to your lawsuit?

Mr. DURDEN. The oral arguments were held before the Fifth Circuit Court of Appeals in Atlanta on October 5.

Senator TALMADGE. What happened in the lower court?

Mr. DURDEN. The lower court ruled with the plaintiff and joined with the Secretary.

Senator TALMADGE. You prevailed in the Federal district court?

Mr. DURDEN. We did, sir.

Senator TALMADGE. And the Department of Agriculture appealed?

Mr. DURDEN. Yes, sir.

Senator TALMADGE. And that appeal is now pending in the Fifth Circuit Court of Appeals?

Mr. DURDEN. Correct, sir.

Senator TALMADGE. That is the status of it now?

Mr. DURDEN. Yes, sir.

Senator TALMADGE. So if this bill is passed, what would that do to your lawsuit?

Mr. DURDEN. I think it would legislate it out of court, sir.

Senator TALMADGE. You, of course, recognize that the tobacco industry is in a serious condition by oversupply?

Mr. DURDEN. Yes, sir. I am fully aware of that. I might say that my family, we have been growing tobacco since 1928. My father used to be a director of the Tobacco Division for the Department of Agriculture, and I reckon I have slept on about as many piles of tobacco waiting for it to be sold as anybody in this room, and I am fully aware of the situation, what we are faced with.

However, I say, that we did not create it in the type-14 area. It was created elsewhere, and we should not be punished by taking these cuts, which is through no fault of our own.

Senator TALMADGE. You say that the present law authorizes a present remedy to reduce quotas of tobacco which is now in surplus?

Mr. DURDEN. Yes, sir.

Senator TALMADGE. And that you have filed suit under that theory of present law, and prevailed in the district Federal court, and the Department has appealed it to the fifth circuit?

Mr. DURDEN. Yes, sir.

Senator TALMADGE. And you think if the Secretary took action in accordance with your theory of the law, that the supply of tobacco wherein the surplus lies would be reduced and therein the taxpayers would fail to lose money on it, and the farmers that produce quality tobacco could continue to do so.

Mr. DURDEN. Yes, sir.

Senator TALMADGE. That is your argument?

Mr. DURDEN. That is my argument.

Senator TALMADGE. That was the substantial argument I believe of Mr. Lanier representing the Georgia Farm Bureau Federation yesterday.

Mr. DURDEN. Yes, sir.

Senator TALMADGE. Also, substantially the argument, though it didn't go into the legal details, of the group who appeared for the South Carolina Farm Bureau this morning.

Mr. DURDEN. Yes, sir.

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

Mr. HOLLAND. I promised first to yield to the Senator from North Carolina.

Mr. JORDAN of North Carolina. I should like to answer one question with respect to the provision in the bill calling for an acreage-poundage basis. Th acreage would be increased by the bill, but the poundage would be reduced. A farmer could grow only so many pounds.

Going back to the attorney of the Department of Agriculture, and what he said in committee—I was present and heard all the discussions—I do not believe that the attorney said this provision would change the law. It would not change the law at all. This would give the farmer an opportunity to vote on whether he wished to go on a poundage-acreage basis or to stick to the old law.

Mr. HOLLAND. The Senator means acreage-poundage basis, does he not?

Mr. JORDAN of North Carolina. Yes. It does not affect the present law at all. He would still have the right to sue if he wished to sue under the old law.

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

Mr. HOLLAND. I yield.

Mr. TALMADGE. I refer to page 195 of the hearings. Mr. Durden testified before the committee as follows:

Senator TALMADGE. You prevailed in the Federal district court?

Mr. DURDEN. We did, sir.

Senator TALMADGE. And the Department of Agriculture appealed?

Mr. DURDEN. Yes, sir.

Senator TALMADGE. And that appeal is now pending in the Fifth Circuit Court of Appeals?

Mr. DURDEN. Correct, sir.

Senator TALMADGE. That is the status of it now?

Mr. DURDEN. Yes, sir.

Since then the court has handed down its opinion. The farmers won.

Senator TALMADGE. So if this bill is passed, what would that do to your lawsuit?

Mr. DURDEN. I think it would legislate it out of court, sir.

Counsel for the farmers believes that if the bill is passed it will legislate them out of court. He was a good enough lawyer to win the case over the Department of Agriculture in the District Court for the Southern District of Georgia, and also was able to obtain a unanimous decision in the Fifth Circuit Court of Appeals. His decision is in complete variance with the opinion of the distinguished Senator from North Carolina.

Mr. JORDAN of North Carolina. I agree with what the Senator has said. I am not quoting Mr. Durden. He is the lawyer for the Georgia Tobacco Growers. I am talking about the lawyers from the Department of Agriculture. My understanding is that the bill would not repeal the present law. I am sure it would not. Conditions would still remain as they are, whether the bill is passed or not. So far as the farmers being able to sue is concerned, they would still be able to sue.

Mr. HOLLAND. Mr. President, my comment was not with respect to the hearings or the statement of the lawyers at the hearings. It was with reference to the statement of the chief counsel at our executive meeting when we were marking up the bill. The Senator remembers this, I am sure. He was there.

The question was whether the Secretary of Agriculture had appealed the case. The lawyer said he had not. The next question was, "Why not?"

The answer was that he had not decided whether to appeal it or wait to see whether the pending bill would be enacted. The Senator from North Carolina was present. If he knows of any different construction that can be placed on what the attorney said, I shall yield to him to state it. However, I was sitting as close to the attorney as I am to the able senior Senator from North Carolina [Mr. ERVIN]. I am always close to the

senior Senator from North Carolina except that in this instance I am sorry that he has gone astray in connection with this case. I know perfectly well what the attorney said at that time.

I now yield to the distinguished Senator from North Carolina to state whether he has a different recollection of what was said.

Mr. JORDAN of North Carolina. My recollection is he said that the problem would remain regardless of whether the bill was passed or not. He said the Secretary had not decided whether he would appeal the case to the Supreme Court. The decision had been handed down only a short time before.

Mr. HOLLAND. The Senator's recollection is substantially the same as mine. He said that the Secretary had not made up his mind as to whether he would appeal. He also said that he would wait to see whether the proposed legislation was passed.

I am now glad to yield to the Senator from Vermont.

Mr. AIKEN. Mr. President, I hope the Senator will permit me to state one factor relative to our present tobacco situation, which I do not believe has been referred to so far in the debate. It goes back 5 years, when the United States put restrictions on the importation of oil from other countries. I was in Venezuela shortly thereafter. Some of the officials there were not happy over our putting restrictions on their selling oil to the United States. They said the only thing for them to do, in order to keep their trade in balance, would be to buy less from the United States. I asked one of these officials what those articles would be. It developed that they would try to produce more tobacco and buy less tobacco from us, also less rice and less dairy products.

As a result, the record of the last full year will show that their purchases of tobacco from the United States fell off 80 percent. Purchases of rice fell off about the same percentage. Purchases of dairy products fell off enough so that their purchases of tobacco, rice, and other farm commodities from the United States were cut $13 million worth.

When we consider that $13 million and add to it the $40 million which the people of Florida and the five New England States have to pay extra for domestically produced oil which comes over devious transportation routes, we find that we are paying a pretty high price for that little contribution to a few of our oil companies, including the loss of our tobacco market in countries which formerly bought nearly all their tobacco from the United States. That is one reason why our tobacco supply is going up and why the cost of petroleum products has gone up in certain States.

I thought this should be pointed out. The loss of our tobacco markets is not due entirely to the quality of the tobacco.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. HOLLAND. I shall be glad to yield. First, I should like to thank the distinguished Senator from the maple country and the country of McIntosh apples for the contribution which he has made. It shows that we are all one big country, and artificial action often works hardship on some of our own people and at the same time hardship on some people offshore. Unexpected results often follow.

I am talking today not because I am happy to break up the unity that has customarily prevailed among the tobacco producers, but because I think a great hardship would be imposed on a certain group of tobacco farmers who have not contributed to the present terrible situation and who ought not to be punished in the way proposed.

Mr. President, not claiming any particular magnanimity for myself, I merely wish to remind my distinguished friends from North Carolina that when they had a somewhat similar situation in which it was shown that the so-called baseball ground peanuts were selling to better advantage than the smaller or oil peanuts, I was glad to join in voting out of the committee and in approving on the floor of the Senate, with a short statement, the act which gave the Secretary specific directions to differentiate, because of the market, between those two different products.

There had been shown a great difference between the acceptability of the large peanuts and the smaller oil-filled peanuts.

Only last year my distinguished friends were laboring in the vineyard for their constituents. I never blame them for doing so. I remember having carried their battle not only in the committee, but on the floor of the Senate in behalf of greater experimentation in the field of tobacco. My recollection is—and I see my distinguished friend from Kentucky is present—that we provided an amount of over $2 million in the appropriation bill which I had the honor to handle both in committee and on the floor in order to step up experimentation for a great commodity which was in bad shape. My recollection is that the amount appropriated, which was something over $2 million, went to the two great States of North Carolina and Kentucky. I was glad to help get it there, because they are the centers of tobacco production, both Flue-cured and burley tobacco. I shall not hesitate to do so again.

I am sorry we are having this argument because I think anything that breaks down harmony in an industry of this kind is unfortunate. But I cannot sit idly by and see the producers of my State, who have not contributed to this surplus, who have already planted, and who, including the producers in Georgia and South Carolina, have won their case so far in the district court and in the Circuit Court of Appeals, in effect legislated partially out of existence for the benefit of other portions of the industry which have brought about this surplus production—and there is no doubt of it. The facts that I have read into the RECORD show that, and no one can dispute it. They have created this surplus, and we should not be punished for their dereliction in this matter.

Mr. President, because I did not wish to have a breakdown of harmony in committee, I made a proposal which I thought was fair to the distinguished junior Senator from North Carolina. I asked him for a year's extension for Flue-cured tobacco of the type that the able and distinguished Senators from Tennessee and Kentucky had already obtained for burley tobacco, which has not yet been planted and will not be planted for some time to come—they had insisted that it be applicable to burley tobacco only and the bill should not be made effective in 1965 for burley tobacco but only, for the first time, for 1966, I said that I would not fight the bill on the floor if this was done. I probably would have to vote against it. But it certainly would give my people, along with others, an opportunity to study the situation and to vote as they saw fit on the subject of a referendum next year.

But after a referendum had been voted and approved by more than two-thirds of those participating and that referendum was upon a basis proposed by no one else but the Secretary of Agriculture and his people as the remedy that was needed to meet the situation and was voted in December, then to come along after we have planted—and we are the only part of the industry which has planted—and put this hardship upon us is not fair. That is not equity, and no one can stand on the floor of the Senate and say that it is equity.

Mr. President, I am glad to yield to my good friend from North Carolina if he wishes me to yield.

Mr. JORDAN of North Carolina. Mr. President, I appreciate all the things which the distinguished Senator from Florida has had to say about the bill.

Mr. HOLLAND. The Senator remembers my proposal made to him, does he not?

Mr. JORDAN of North Carolina. I do. The Department of Agriculture did not think it was a good thing to put it off for the reason which I shall state.

Mr. HOLLAND. Is the Department of Agriculture deciding this question, or is the Senate deciding it now?

Mr. JORDAN of North Carolina. The Committee on Agriculture and Forestry reported the bill.

The Department had suggested that the bill should be passed in the way it is reported this year because we all know that when there is a prospect of a reduction based upon poundage, acreage, or some other basis, the farmer is as smart as any other businessman in the United States, and he is smarter than a great many of them. Therefore, this year he would produce every pound of tobacco he could produce on the acreage allotted to him.

A great many records and tests show that farmers can increase their poundage to over 4,000 pounds per acre—not on sorry land—but they can do it; it has been done. Last year 2,200 pounds an acre were produced.

They honestly believe that if that situation should prevail another year, a large surplus will be put in stock this year, and the program will come into further jeopardy.

That is the reason for the desire to have the referendum.

The Senator will remember that in 1955 the farmers, under a 3-year acreage program which they voted upon

at that time, came back and voted again, under circumstances similar to those that now exist, further to reduce their acreage because of the great surplus that they had built up at that particular time as a result of the 1954–55 crop, I believe. It was an inferior grade of tobacco, which was later dumped on the market at a very cheap price.

They did the same thing again.

The proposed legislation would not do anything to the farmer. The farmer has a right to decide whether he wants the program or whether he does not want it. I have not talked with a single farmer—and I have spoken with a great many of them—who wants to see this tobacco program with support prices get away from him because if it does, he knows that he will never get it back, and tobacco will be in a serious situation. In North Carolina we have earnings of $1.2 billion in agricultural products each year.

A little more than half of that is tobacco income. Georgia produces much of that income. Much of that is their income.

The Senator from Georgia has pointed out that South Carolina does the same thing. It means a great deal to the economy of the sections that raise tobacco. The bill would stop the continual cutting of acreage of farmers, particularly tobacco farmers, who have a half-acre minimum, below which it is not feasible to cut.

If the Flue-cured tobacco producers had such protection, they would not be worried about what is happening now. But if we continue to cut their acreage, pretty soon the Flue-cured tobacco producers will not have any acreage left, when we consider the small acreage that they have.

I observe that my distinguished colleague from North Carolina wishes to make a statement. I should like to yield to him, if I have the floor.

Mr. HOLLAND. I am happy to yield to the distinguished senior Senator from North Carolina.

Mr. ERVIN. I should like to ask my colleague from North Carolina to turn to page 105 of the hearings, to see if my understanding is correct that the Flue-cured production of North Carolina has been cut, while that of Florida has been increasing.

On page 105, with respect to U.S. Flue-cured tobacco, does not the record show that in 1956 Florida produced 21,682,000 pounds?

Mr. JORDAN of North Carolina. The Senator is correct.

Mr. ERVIN. Does not the table show that in 1964 Florida produced 22,239,000 pounds?

Mr. JORDAN of North Carolina. That is correct.

Mr. ERVIN. Is not that an increase of 557,000 pounds?

Mr. JORDAN of North Carolina. That is correct.

Mr. ERVIN. Going to the table for North Carolina, type 11 tobacco, does not the table show that in 1956 North Carolina produced 346,175,000 pounds?

Mr. JORDAN of North Carolina. That is correct.

Mr. ERVIN. In 1964, did not North Carolina produce 352,600,000 pounds?

Mr. JORDAN of North Carolina. That is correct.

Mr. ERVIN. That was an increase of 16,425 pounds, was it not?

Mr. JORDAN of North Carolina. That is correct.

Mr. ERVIN. As to type 12 tobacco, does not the table show that North Carolina in 1956 produced 496,320,000 pounds?

Mr. JORDAN of North Carolina. That is correct.

Mr. ERVIN. Does not the table show that in 1964 North Carolina produced 479,750,000 pounds of type 12 tobacco?

Mr. JORDAN of North Carolina. That is correct.

Mr. ERVIN. Is not that a decrease of 16,570 pounds?

Mr. JORDAN of North Carolina. That is correct.

Mr. ERVIN. Going to the following page, page 106, does not the table show that North Carolina, in 1956, produced 119 million pounds of type 13 tobacco?

Mr. JORDAN of North Carolina. The Senator is correct.

Mr. ERVIN. Does not the table show that in 1964 North Carolina produced 117,500,000 pounds of type 13 tobacco?

Mr. JORDAN of North Carolina. That is correct.

Mr. ERVIN. Is not that a decrease of 1,500 pounds of type 13 tobacco?

Mr. JORDAN of North Carolina. It is a very small decrease, but it is a decrease, nevertheless.

Mr. ERVIN. If we add 16,570,000 pounds to 1,500,000 pounds, what is the total?

Mr. JORDAN of North Carolina. It is 18,070,000 pounds.

Mr. ERVIN. And what is the difference between that total and the total of type 11 tobacco which showed an increase of 16,425,000 pounds?

Mr. JORDAN of North Carolina. It is a little over a thousand pounds.

Mr. ERVIN. In other words, the calculation shows that North Carolina, instead of having a large increase between 1956 and 1964, sustained a decrease in production 1,645,000 pounds, whereas Florida's production increased by about 557,000 pounds.

Mr. JORDAN of North Carolina. That is what the figures appear to show.

Mr. HOLLAND. Mr. President, the figures produced by my dear friend the distinguished senior Senator from North Carolina [Mr. ERVIN], are interesting, but they simply do not apply to this situation at all. This trouble has arisen in the past 4 years.

If Senators will look again at the same tables from which the senior Senator from North Carolina quoted only the figures for 1956 and 1964, 9 years later, they will see that in the case of each of the types of tobacco produced in North Carolina, the production has gone away up in that period of time. They will find also that production per acre has gone away up. That appears in the table just before the one the senior Senator from North Carolina was quoting from.

For instance, as to type 11, the table shows production going away up from 1,670 pounds per acre in 1961 to 2,150 pounds per acre in 1964.

With respect to type 12 tobacco, the increase was from 1,875 pounds per acre in 1961 to 2,375 pounds per acre in 1964.

As to type 13, the increase was from 1,900 pounds per acre in 1961 to 2,350 pounds per acre in 1964.

Another thing as to which the Senator from North Carolina has probably not been advised is that the total acreage has been greatly reduced from the year at which he began, 1956, through 1964. The plain facts—I have already placed them in the RECORD in some detail—are that in the 4 years in which these tremendous surpluses have been amassed, the areas amassing them have been North Carolina and Virginia, as will be seen by looking at the tables of the four types of tobacco produced in that particular part of the Flue-cured tobacco area. The figures themselves will explain the truth of that statement, whereas in the case of both Georgia and Florida, if the Senator wishes to go over those tables again, he will see that the total production has diminished.

He will see also that the amount going to Government warehouses is still very small. In 1964, it was only 1.7 percent for all the type 14 tobacco as against an average of 19.3 for all types of tobacco, including the 1.7 percent.

There is no question that it is the great producing areas in North Carolina and Virginia that have created the surplus that has brought about a crisis. The legislation now proposed is drafted in such a way as to bear down the hardest upon the small, indefensible areas which have not created the surplus; whose product has been sold to the extent that only 1.7 percent of it went to Government warehouses last year; and whose crops have already been planted and who are, therefore, to be subjected to particular hardships.

There is no question about what has happened. I regret that it has happened. I have been trying to move in a way that would help in this situation. The whole industry seemed to be moving in that direction by cutting acreage about 19.5 percent in the referendum held in December. But now a large part of the industry does not want to accept that decision. It wants to have a smaller acreage reduction and wants to have, instead, a poundage figure established not in accord with what it has been producing, but in accord with what Florida and Georgia have been producing per acre.

It is too bad to see this kind of punitive treatment applied to people who have won their case in court, who have proceeded according to the referendum already adopted, but which they did not like, a referendum which cut their acreage by 19.5 percent; and who will be forced, if the cut is passed and if the referendum is approved, let us say, a month from now, to go under that new system after every acre that is producing type 14 tobacco will have been planted. Everybody knows that is the case.

Mr. ERVIN. Mr. President, I rise in opposition to the substitute.

Before I discuss it generally, I point out that what we sell is pounds, not acres. Between 1956 and 1964, the tobacco growers of Florida increased to a slight degree the poundage of tobacco which they were producing, whereas the tobacco growers in North Carolina decreased to a slight degree the tobacco which they were producing.

Now, the figures indicate that the production of the Florida type 14 kept increasing constantly, or virtually so, from 1956 to 1964, whereas North Carolina decreased its production of this crop for the few years following 1956. Thereafter, North Carolinians evidently learned something from our smart friends in Florida, and stepped up their production. But they never did reach the point where they exceeded their relative production as compared with Florida in 1956.

I deeply regret that my good friends from Florida and Georgia are on the other side of this question. As the Senator from Florida pointed out—they have usually stood shoulder to shoulder with us. What we are trying to do in this bill is to end the increase in production and bring about a decrease.

I think all of us agree that tobacco growing is in a serious state. While acreage has been cut—several times in Georgia, Florida, North Carolina, South Carolina, Virginia, and everywhere that Flue-cured tobacco is grown—those farmers who were financially able to do so, and had a sufficient acreage allotment, fertilized their tobacco, and, in many cases, irrigated their tobacco. Those farmers would be placed by this bill under more stringent requirements than the smaller growers in Florida, Georgia, South Carolina, North Carolina, Virginia, and elsewhere.

This is a bill to save a program upon which 750,000 American farm families depend for their livelihood in whole or in part. The ones who have contributed most to the increase in the tobacco production, regardless of whether they live in Florida, Alabama, Georgia, South Carolina, North Carolina, Virginia, or elsewhere, have been those with the largest acreage allotments. They have been financially able to employ fertilizer and irrigation to a high degree and, thus multiply their production above that of others.

The bill would make more drastic cuts in the amount of tobacco which they could produce for the market. By so doing, it would contribute to the salvation of a farm program which is essential to the prosperity of the South Atlantic States.

My friends charge North Carolina and Virginia with being responsible for more tobacco going into stabilization. Tobacco buying is a peculiar profession. The work of a tobacco buyer is seasonal in nature. No tobacco company engaged in the manufacturing of tobacco is going to buy tobacco after it has bought its supply for the year to put in storage for aging.

I could use a very simple illustration on this point. When a man sits down to the table to eat, he quits eating when his appetite is satisfied. This simple statement illustrates why tobacco buyers and tobacco companies quit buying tobacco when their annual quotas are purchased, and why this bill ought to pass to curtail the production of tobacco above that required for domestic use and export.

Each tobacco company has a quota of tobacco which it is to buy during a given market year. When the tobacco company reaches its quota, it will stop buying. When the tobacco buyer buys his quota for his company, he will stop buying tobacco and his holiday will start so far as tobacco buying is concerned.

What happens? The markets open earlier in Florida and Georgia than they do in North Carolina, South Carolina, and Virginia. The natural thing for the tobacco buyer to do, if he finds tobaco that is suitable for him, is to fill his quota as early as possible. That is human nature. When he reaches the quota assigned to him by his company, his tobacco-buying days are over for that season.

Good Flue-cured tobacco is grown in Florida, Georgia, Alabama, South Carolina, North Carolina, and Virginia. The overwhelming amount of tobacco grown in all of those States is good tobacco.

We have type 14 tobacco merely because Flue-cured tobacco grown in Alabama, Florida, and Georgia is so designated. Every year, North Carolina tobacco growers take parts of their crops, which have matured early down to the Georgia market and sell it as type 14. There is very little, if any, difference between the types. One type can be passed off on the market as type 14, or some other type, because the tobacco is similar and the definition of type 14 is artificial.

While I am on that subject, I wish to say that I agree with my colleague in that I do not see how the lawsuit would be affected substantially by the bill. The lawsuit is based on the proposition that in determining whether there is an oversupply of Flue-cured tobacco, the Department of Agriculture, should treat each type of Flue-cured tobacco separately and make separate determinations to each of them and make separate allotments on that basis rather than upon all Flue-cured tobacco, as it has done in the past.

The decision of the district court was that in determining whether there is an oversupply of tobacco and whether there should be a reduction in the production of tobacco, the Department of Agriculture should appraise each type of tobacco seperately and make allotments on that basis—despite its contrary practice in the past and despite the fact that all types are used to manufacture the same cigarettes.

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

Mr. ERVIN. I yield.

Mr. TALMADGE. I drafted a salvation or preservation clause that would protect the rights of the litigants in this matter. If it has the approval of the distinguished senior Senator from North Carolina and the distinguished Senator in charge of the bill, the junior Senator from North Carolina [Mr. JORDAN], I would like to offer it at this time with the consent of the Senator from North Carolina, and have it adopted. It reads as follows:

SEC. 4. Nothing in this Act shall be construed as affecting the authority or the responsibility of the Secretary of Agriculture under Section 301(b)(15) of the Agricultural Adjustment Act of 1938 with respect to providing that different types of tobacco shall be treated as different kinds of tobacco or with respect to increasing allotments or quotas for farms producing certain types of tobacco.

Will the Senator agree to that, or will the Senator in charge of the bill agree to it?

Mr. ERVIN. I did not understand the last part.

Mr. TALMADGE. I show the draft to the distinguished Senator. It was prepared by counsel for the Committee on Agriculture, Mr. Harker Stanton, with the understanding that it would protect the rights of the litigants in my State in the case that was pending, or has recently been pending, in the Fifth Circuit Court of Appeals.

Mr. ERVIN. I am not in charge of the bill, but if I were, I would not accept the amendment. In the first place, it has not been before the committee——

Mr. TALMADGE. I understood the Senator to say that the rights of the litigants would be protected.

Mr. ERVIN. There is language in the draft with respect to increases "in allotments or quotas for farms producing certain types of tobacco."

Mr. TALMADGE. That is the language of the 1938 Agricultural Adjustment Act. I thought the Senator was arguing eloquently and earnestly, as he does in any cause he espouses, that it would not affect any of the litigants.

Mr. ERVIN. If I were in charge of the bill, I would not agree to any language that would be subject to the interpretation that it would not authorize any change in the allotment of farms.

Mr. TALMADGE. That is the language of the Agricultural Adjustment Act. That is what the lawsuit is all about.

Mr. ERVIN. That would defeat the purpose of the bill, which is to change quotas.

Mr. TALMADGE. The Senator admits that the purpose of the bill is to kill my farmers' lawsuit.

Mr. ERVIN. No, I do not.

Mr. TALMADGE. I was hoping the Senator would have convinced himself of his argument.

Mr. ERVIN. I have, but I would not be agreeable, if I were floor manager of the bill, to accepting language that would be susceptible to an interpretation that quotas could not be changed. That question would still be open to the determination of the Secretary of Agriculture.

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

Mr. ERVIN. I yield.

Mr. HOLLAND. I understand that the Senator has taken the position that there is no substantial difference between types except as to where they are produced. I notice that the series of compilations from which he is quoting, on pages 105 and 106 of the printed hearing record, shows three different types

with reference to North Carolina—North Carolina type 11; North Carolina, type 12; North Carolina, type 13.

Is the Senator contending that there is no difference between types 11, 12, and 13, all of which are shown as being produced in that same State?

Mr. ERVIN. I am contending that tobacco classified as type 11 can qualify in most instances as type 14, so far as chemical and natural composition of the leaves are concerned. Type 14 is an artificial name given to Flue-cured tobacco grown in Alabama, Georgia, and Florida. I also contend that some North Carolina tobacco growers who grow types of tobacco bearing other designations take it down to Georgia, where it is accepted as type 14 on the Georgia market.

There is no discrimination here as between Flue-cured tobacco and burley, because burley has not reached a stage of over-production comparable to that of Flue-cured tobacco. That statement is made manifest by the fact that there are approximately 252.3 million pounds of burley in Government stocks, whereas there are 961.1 million pounds of Flue-cured tobacco in Government stocks. The situation in burley is not nearly as desperate as in the Flue-cured field.

There is one other thing to be said. As I pointed out, tobacco buyers start buying on the Florida and Georgia markets. As soon as they get their quotas, they stop buying. As soon as tobacco companies get their quota, they stop buying.

As a result of overproduction in all States which grow Flue-cured tobacco, we have over 900 million pounds of such tobacco on hand.

There is another reason why Florida and Georgia tobacco is bought first. North Carolina markets handle so much tobacco that there is a rule under which Federal authorities will not inspect and grade North Carolina tobacco after the first 3 or 4 days unless that tobacco is tied. Flue-cured tobacco is sold untied in Florida, and it is sold untied in Georgia. It is sold tied in North Carolina because of this practice of the Federal inspectors.

It costs $6 a hundredweight, in labor, to tie the tobacco. Consequently, the tobacco on the North Carolina market costs about $6 a hundredweight more than does the untied tobacco in Florida and Georgia. Tobacco companies naturally prefer to buy tobacco which is low in cost in filling their quotas.

The bill before the Senate would prevent the continual and piling up of tobacco surpluses because of the ability of those having large acreage allotments to use fertilizer and irrigation and thus increase their production at the expense of small tobacco growers.

The bill should be passed as soon as possible in order to give the growers of Flue-cured tobacco an opportunity to say whether they prefer this type of bill, which will make controls work where they have not worked in the acreage allotment field.

Passage of the bill would promote the welfare of the average tobacco grower, and especially that of the small grower, not only in North Carolina, not only in Virginia, not only in South Carolina, but in Georgia and Florida also, and would contribute to the saving of one of the best and most essential agricultural programs that we have.

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

Mr. ERVIN. I yield.

Mr. HOLLAND. Does the Senator think it is equitable, under this bill, to have growers who produce Flue-cured tobacco able to market, with price support, only 10 percent of overproduction of their tonnage or poundage quota without penalty, whereas the producers of burley tobacco are allowed to market 20 percent overproduction of the poundage that is allotted to them without penalty? What is the equity between the two different products with respect to marketing above the total poundage allotted?

Mr. ERVIN. I believe that the equity arises out of the fact that we have so much more Flue-cured tobacco in Government stocks than burley. We can talk about type 14, type 11, and all these other types of tobacco. The fact is that all of them are used to manufacture the same cigarettes which are smoked by the same individuals. There are no great difference between these different types of tobacco. This is a bill to save the tobacco program for all who grow Flue-cured tobacco.

ALLEGED DIVERSION OF U.S. AID FUNDS INTENDED FOR IRAN

Mr. McCLELLAN. Mr. President, will the Senator from North Carolina yield?

Mr. JORDAN of North Carolina. I am glad to yield to the Senator from Arkansas.

Mr. McCLELLAN. Mr. President, in May of 1963, a man representing himself to be the Khaibar Khan contacted some other Members of the Senate and reported a large diversion of U.S. aid funds intended for Iran. He was referred to the Permanent Subcommittee on Investigations. At his request, the subcommittee gave him the opportunity to testify under oath in executive session. This man, who is also known as Khaibar Khan Goodarzian, represented himself to be the leader of a large group of Iranian tribesmen. In all, three executive sessions of the subcommittee were held to accommodate him. Each session was at his own request.

Khaibar Khan and his secretary and associate, Miss Mariam Kushan, presented the subcommittee with documents which, if genuine, would have indicated large-scale diversion of the aid funds provided by our Government for the assistance of Iran. The documents had allegedly been secured surreptitiously. These documents, almost all dated in 1962, included photocopies of 137 purported checks—face side only—ranging in amount from $100,000 to $2 million, in the total amount of $102 million for that year. They are purportedly drawn on the Swiss bank account of the Pahlavi Foundation of Iran—a country development program of the Shah of Iran—and payable to numerous prominent Americans, Iranians, and others.

The documents also included a photocopy of a purported bank statement of the Pahlavi Foundation account in the Union Bank of Switzerland, the entries on which corresponded with the checks. Notwithstanding the fantastic nature of these allegations, and the testimony of Khaibar Khan and Miss Kushan under oath, the subcommittee felt an obligation to examine into the facts and seek to establish the truth.

Every effort was made to substantiate any part of the documentation but those efforts proved fruitless. In response to the subcommittee inquiry, Dr. A. Schaefer and Dr. A. Hartman, officials of the Union Bank of Switzerland, wrote saying: First, the Pahlavi Foundation had never had an account at its head office, its Geneva branch or at any other branch of its bank; second, the alleged bank statement was type whereas the bank uses only bookkeeping machines; and third, the number of the account did not conform to the type of numbering system used by the bank.

Mr. President, I ask unanimous consent to have printed in the RECORD a copy of the letter to which I have just referred.

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

UNION BANK OF SWITZERLAND,
Zurich, February 14, 1964.

Subject: The Pahlavi Foundation of Iran.

Hon. JOHN L. McCLELLAN,
Chairman, Senate Permanent Subcommittee on Investigations, U.S. Senate, Washington, D.C.

DEAR SENATOR McCLELLAN: We thank you for your letter of January 31, 1964, containing inquiries regarding the authenticity of copies of bank statements allegedly drawn up by our Geneva branch for the Pahlavi Foundation of Iran. With the specific desire of assisting in the dissipation of false accusations against the Government of Iran, we requested the authorization of the Director of the Pahlavi Foundation to permit us to speak in its behalf and we are prepared in this highly unusual instance to answer your questions to the fullest of our knowledge.

The type face appearing on the documents which you submitted to us for inspection does not correspond to that used in the preparation of such statements for our customers. Actually, they are printed on a bookkeeping machine and they are not, as in the case of the photostats in question, written by ordinary typewriter. In addition, neither our head office, our Geneva branch, nor any other branch of this bank has at this time, nor at any time in the past, ever had an account in the name of the Pahlavi Foundation of Iran. Further, the account number listed on the sheets does not conform in any measure to the numerical system employed by us. For these very convincing reasons we are certain that the evidence which you have forwarded to us for examination is forged.

Should it prove essential to your inquiry, we would be willing to swear to the truth of the contents of this letter.

We trust that the foregoing information will be of assistance to you in your further investigations.

Yours very truly,

Dr. A. SCHAEFER,
Chief General Manager.
Dr. A. HARTMANN,
Manager.

Mr. McCLELLAN. Mr. President, in addition, an audit was made by the subcommittee staff of aid funds in the U.S. banks and the same type audit

was made in Iran at our request by the Inspector General's office of the Department of State. The audits covered approximately 67 percent of U.S. aid funds to Iran for the period March 1959 to June 1963, approximately $169 million. There was no indication whatever of any diversion of aid funds to the Pahlavi Foundation.

A representative number of the alleged recipients of these checks were contacted, and all those so contacted filed affidavits with the subcommittee denying any knowledge of the checks or the funds they purported to represent. The personal finances of some of these persons were audited and the audits supported their affidavits. Others have indicated a willingess to file similar affidavits. In addition, an analysis of the purported bank statement shows that the bulk of the checks were drawn on one of five different days and, with only one exception, the alleged checks were presented to the bank for payment in the exact numerical sequence in which they were issued. The mathematical odds against such an occurrence are astronomical and prohibitive. The analysis also revealed a $4½ million error in subtraction on July 27, 1962, which remained undetected and uncorrected at the end of that year. A normal banking practice is to reach a balance each day.

The subcommittee heard testimony showing that apparently on November 5, 1962, imposters had established bank accounts in the City National Bank of Beverly Hills, Calif., in the names of members of the royal family of Iran. Accounts were set up in the name of Prince Mahmoud Reza Pahlavi and Princess Fatemeh Pahlavi by two persons, a man and a woman, who claimed to be the Prince and the Princess, respectively, at a time when, to the best of our ability to determine—which immigration records substantiate—neither the Prince nor the Princess was in the United States. The Prince and Princess are close relatives of the Shah.

The bank employee who received the account from the woman representing herself as the Princess positively identified Miss Mariam Kushan as the person who opened the account and signed the bank signature card which was filed as an exhibit along with the signature of Miss Kushan which was written in the presence of the subcommittee.

By way of interpolation, I believe that anyone who examines the two signatures, one filed with the bank at the time the account was established, and the other given to the committee in executive session recently when she testified, will agree that the signatures have a most striking similarity and I believe sufficient to establish that the same person wrote both signatures.

The subcommittee in good faith has given Khaibar Khan Goodarzian and Miss Mariam Kushan every opportunity to submit any additional proof they could to substantiate their statements. Our subcommittee itself made an exhaustive inquiry into these allegations. We have been unable to establish the truthfulness of the charges made. On the contrary, a great preponderance of the evidence, the apparently unimpeachable facts, and all attending circumstances point, we believe unerringly, to their deceptiveness and falsity.

By direction of the subcommittee, a complete transcript of these hearings is being transmitted to the Department of Justice for its careful examination and study, and for its determination as to whether there has been any violation of Federal law, including criminal libel and perjury, and for appropriate action thereon.

Mr. MUNDT. Mr. President, will the Senator from Arkansas yield?

Mr. McCLELLAN. I am glad to yield.

Mr. MUNDT. As the ranking Republican member on this investigating subcommittee, I endorse the statement which has just been made by our distinguished chairman, the Senator from Arkansas [Mr. McCLELLAN].

It seems to me that Khaibar Khan recital is a stranger and more fantastic story than anything I have ever read in the whole book of Arabian Nights fables.

What we have before us now is either the greatest swindle by representatives of a friendly foreign government on the taxpayers of the United States, or it is the most audacious and arrogant operation ever undertaken in the history of Congress to impose upon our legislative body and our investigating subcommittee.

If the facts are borne out ultimately by the Department of Justice, that what we have here is a planned case of perjury on the part of Khaibar Khan, he will go down in the history books as the man who made Ananias look as though his name actually was Diogenes.

I must admit that some strange things have happened in the field of foreign aid. Although I think it is inconceivable and totally incredible that the type of activities described by Khaibar Khan are factual in nature, I do not wish to rule out entirely the possibility that some grave and almost impossible abuses of the foreign aid program, either in Iran or elsewhere, have been committed. One thing is very definitely certain from looking at the transcript of the testimony, namely, that perjury has been committed by someone. The record is clear that some willful perjury has been committed by someone under oath before a constituent body of Congress, the Investigating Subcommittee charged with dealing with this subject, in connection with testimony that is entirely pertinent to the inquiry.

Thus, the basic elements of perjury are clearly written into this Record. I stand with the chairman in his assertion that the transcript should be, and now is, forwarded to the Department of Justice for its review and determination as to possible criminal action. It is obvious that criminal action against someone must be forthcoming by the Department of Justice after the Department has had an opportunity to analyze this amazing piece of testimony.

In conclusion, I wish to repeat that I do not foreclose the possibility of our committee taking a subsequent look at the Iranian foreign aid program or, for that matter, at the foreign aid program in any other areas of the world where it seems that mischief might have taken place.

I wish to emphasize, however, that the subcommittee and its staff have done very commendable work and have exercised great diligence over a period of many months in trying to sift fiction from fact and fact from fiction in this case. It is obviously difficult enough for our subcommittee to transact its duties in trying to inquire into the operations of the executive branch of the Government, but when we are confronted with diversions such as we have encountered in this case, it makes our task impossibly much more prodigious, and results in our legislative role being sidetracked and our investigation of other important matters delayed.

In repeating my endorsement of what the chairman has said, and in referring this matter to the Department of Justice, I believe that the revelation of such performances should serve a useful purpose. I hope this will prohibit ever again the kind of occurrence which is indicated by the testimony to which our committee has been subjected. If there are any irregularities in the foreign aid program which come to our attention, I know the chairman of the subcommittee will take appropriate action. I hope, however, that it will be initiated by proof of some demonstrable nature and something less suspicious of being perjurious than in connection with the instant case.

Mr. McCLELLAN. These charges, if true, reflect upon the integrity and honor of some very fine Americans. They sounded fantastic when they came to us. We felt they ought to be inquired into. It is not a matter of defending the foreign aid program. I have no defense to make of the overall program, because I voted against it. I am not saying that there may not be irregularities in the administration of the program. I do not know. I am convinced beyond any doubt that the charges that precipitated the investigation are false. Otherwise I do not believe the bank would have written this letter. One of these gentlemen is the general manager and the other is the manager of the bank in Switzerland. I do not believe they would have written, as they do here:

> Should it prove essential to your inquiry, we would be willing to swear to the truth of the contents of this letter.

If the contents of that letter are true, every allegation that we proceeded upon in the initial instance, when we started the investigation, is false. Therefore, we have been patient and have given everyone every opportunity to produce evidence to substantiate the charge. If the contents of the letter are true, the committee and the Senate have been imposed upon. Therefore we feel that we ought to make this statement and in due time make a full report.

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

Mr. McCLELLAN. I yield.

Mr. JACKSON. I wish to associate myself with the remarks of the able chairman of the committee and the remarks of the distinguished Senator from South Dakota [Mr. MUNDT]. The record,

which dates back, I believe, to May of 1963, when the committee had this subject called to its attention, clearly indicates that the committee has been imposed upon by this gentleman and his associates. I believe one other point has not been mentioned.

Mr. McCLELLAN. Mr. President, at that point I should like to say that if the record shows that the subcommittee has been imposed upon in other areas, they are not necessarily matters within the responsibility of the subcommittee. This seems to be a common practice or the usual way of life.

Mr. JACKSON. This gentleman has a genius for imposing upon people. I must say that he went beyond the point of making allegations against prominent Americans. The information we have in committee to date indicates that he has attempted to use the committee to his own advantage. I should say, too, that there appears to be evidence that he may have been engaged in an international confidence game. We have reason to believe that he has "taken" some prominent Americans for large sums of money, involving hundreds of thousands of dollars, as a result of his skillful and devious operations in the United States during the past several years.

Mr. McCLELLAN. Some of them would be embarrassed to testify.

Mr. JACKSON. Yes. This gentleman has operated as all confidence operators operate. He gets his intended victims in a larcenous situation in which it would appear that the victim was a joint venturer in the violation of State or Federal laws. This is the way all confidence men operate. If we look at the arrests and convictions of confidence men, we find time and time again a long series of arrests and no convictions: "Case dismissed." That is so because the prosecuting witness does not wish to come in and testify lest he or she appear to be engaged in the perpetration of a crime.

I must say it would appear as of now—and we have not completed the record—that this gentleman and others associated with him were engaged in a gigantic scheme of international proportions to malign the good names of prominent Americans and to utilize the subcommittee for his own larcenous ends in order to continue his confidence game.

I must say that the chairman of our subcommittee and the able staff, because of the serious initial allegation, went into great detail to get the facts and to get at the truth.

As of now the truth clearly would indicate that those who should face more serious criminal charges are the individuals who came to the committee to make these charges. At the present time, I commend the chairman for the action that he has taken.

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

Mr. McCLELLAN. I yield to the distinguished Senator from Oklahoma.

Mr. HARRIS. As the distinguished chairman of our subcommittee has made clear, the narrow and precise question which was presented to the subcommittee was the truth or the falsity of the grave charges which had been made by the so-called Khaibar Khan. Our able chairman, the distinguished Senator from Arkansas, has carried on a careful, meticulous, and detailed examination and inquiry into these serious charges. The statements which he has made today present the inescapable conclusions of the subcommittee which can be drawn and must be drawn from the inquiry. There can be no question from an examination of the facts that at best the so-called Khaibar Khan has wholly, shockingly and reprehensibly failed to substantiate the charges which he has made; at worst, he and his associates are guilty of the grossest kind of fabrication and fraud. I personally am inclined to the latter opinion. I concur in the statement of our distinguished chairman that the question should be turned over to the Department of Justice for appropriate action. I commend our distinguished chairman for his handling of this inquiry, and I associate myself with his statement here today.

Mr. McCLELLAN. I thank the distinguished Senator from Oklahoma.

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

Mr. McCLELLAN. I yield to the distinguished Senator from South Dakota.

Mr. MUNDT. As members of the committee, I believe we all recognize that we are delegating to the Department of Justice a rather prodigious job as they look over the mishmash of confusing testimony which has come to us. But I believe there is at least the possibility that the Department of Justice may get a real assist from another source in trying to find out the facts in this case and in building the proper background of evidence with which to make a charge of perjury.

It has come to my attention indirectly that a prominent American magazine is planning to publish an article on the activities of Khaibar Khan. I believe the magazine should be forewarned that it will not be able to enjoy any element of congressional immunity for anything appearing in the article, because our hearings have not been published. They have been taken in executive session. There will be no privileged material in the magazine article insofar as basing it on congressional testimony is concerned.

If the article carries out the purport of the Khaibar Khan story, and if the facts are as we believe them to be, it will be essentially and notoriously libelous—libelous of some very important Americans, libelous of a great many people whose good reputation will be at stake and who will necessarily desire to carry Khaibar Khan and company into the civil courts in a case of civil libel.

In my experience, I have found that it has sometimes been easier to establish facts in a civil suit for libel than it has been to ask the Department of Justice to screen conflicting testimony.

I recall the fact that Alger Hiss escaped any kind of punishment from the law in this country until he trapped himself into instigating a libel suit against one Whittaker Chambers. When a civil suit for money is brought in an American court, the kind of evidence which often crops up is amazing. If this magazine carries the proposed article, if it contains the story in detail that Khaibar Khan imposed upon us, and if the facts are what the committee believes them to be, I can well imagine that there will be some rather substantial libel suits filed against that magazine. In that case it will be a question of "fish or cut bait." At that instance either the whole Khaibar Khan fabrication will fall down like a house of cards, or he will be compelled to produce evidence which he did not make available to our committee with which to substantiate his charges.

Mr. McCLELLAN. Mr. President, since the distinguished Senator from South Dakota has referred to a magazine article that might appear, I believe the RECORD should be made clear that the action taken here today had been authorized and directed before any member of the committee, so far as I know, ever heard of an impending magazine article.

Mr. MUNDT. That is certainly correct so far as the Senator from South Dakota is concerned. We took our action some time last week, and I did not hear about the story until the past weekend.

Mr. McCLELLAN. The first I knew about a purported magazine article was about 9 o'clock on Friday night. I took some papers home to read, and I found among them an advance copy of the article. That had nothing to do with the action of the committee. The action to make this statement and to refer the question to the Department of Justice was taken by the committee before the committee ever heard of a purported magazine article.

Mr. MUNDT. As contained in the printed record of our last session, the chairman made the announcement one day last week. That statement appears in the official notes of the committee.

Mr. McCLELLAN. I think the record will be clear. I thank the Senator.

I now yield to the Senator from Nebraska.

Mr. CURTIS. Mr. President, I concur in what my chairman, the distinguished senior Senator from Arkansas, has said about the Khaibar Khan investigation.

I was present in executive session when Khaibar Khan and Miss Marian Kushan appeared in the first instance and presented their allegations. The allegations were such that they called for a painstaking investigation and inquiry into many things and many approaches to the problem. As usual, the committee, under the leadership of Chairman McCLELLAN, conducted a thorough investigation. There rests upon the committee an obligation to the taxpayers, to the Government of the United States as an entity, and, of course, to every individual whose name was mentioned in the allegations.

The distinguished chairman stated that there were three executive sessions. The subject was discussed many times in addition to the discussions at the specific meetings called for this purpose. Inquiries were made from time to time with members of the staff concerning their progress. A thorough investigation of the subject was made. The allegations were not found to be true, as was stated by the chairman. I think that should be said, and it should be said by all of us who participated.

I take this occasion to say to the Senate and to the country at large that Chairman McCLELLAN has conducted a careful, painstaking, thorough investigation. His conclusions are correct, they are accurate, and they are in the public interest. I commend him for it.

Mr. McCLELLAN. I thank the distinguished Senator from Nebraska. Of course, we do not accomplish anything except as a team. We all work together. I am indebted to my colleagues on the committee and to the able staff for these good results—I hope they are good results—that we have been able to accomplish in the inquiry.

I yield the floor.

INVESTIGATION OF BANKS

Mr. LAUSCHE. Mr. President, several weeks ago I introduced a bill to conduct a study of the manner and the method in which the fiscal position of banks would be investigated. It has been my belief that the liquidity of the banks is growing worse as time goes on. I am also of the conviction that loose practices have developed in the making of loans. I have noted that the newspapers, in relation to the investigation which the Committee on Government Operations is conducting, have touched upon the subject lightly.

I ask the Senator from Arkansas whether in his committee he contemplates exploring the noncoordination that exists between different Federal officials who are in charge of inspecting banks, ascertaining their liquidity, and determining the type of their management.

Mr. McCLELLAN. The first three or four witnesses to appear before the committee were the heads of the four agencies of the Federal Government that have some responsibility in connection with the banking and the building and loan system in our country. In the course of their testimony, it developed that apparently there had not been the kind of coordination and cooperation that some of us think should prevail.

Subsequent testimony has also revealed some other information that would tend to substantiate the charge that there has not been the liaison and cooperation between agencies that there should be. We are already into it.

Mr. LAUSCHE. I have observed that some measures have already been adopted as a consequence of the investigation.

Mr. McCLELLAN. Some action has already been taken. Some practices have been discontinued, and therefore, I think that there is better liaison and better cooperation than there was when the hearings began.

Mr. LAUSCHE. My own opinion is that the isolated revelations that have thus far come to the surface are characteristic of what were to be found, in many instances, in the type of credit that is accepted and in the looseness of accredited practices.

I stated 3 or 4 weeks ago that 10 years back the Government bonds and cash held by banks constituted about 66 percent of the assets. Thirty-four percent of the assets were in the form of other types of nonliquid assets.

In the 10-year period, the very opposite has developed. Thirty-four percent of the assets are in Government bonds and cash, and the remainder is in nonliquid assets.

I am further of the belief that that condition is growing worse. It is my sincere hope that this problem will not only be attended to so far as the revelations that have thus far occurred are concerned, but that the matter will be checked into deeply, to learn whether or not new laws are needed and whether the present supervisory powers that are exercised by the Government are adequate to protect depositors in the banks.

Mr. McCLELLAN. The committee has already found some practices that, in my judgment, might well be termed reprehensible; but these practices, so far as I know now, were confined to the banks that we have been investigating. It may well be that the same situation exists in other banks. However, I believe that the practice that we have so far found is not too widespread; but where such practices exist, they ought to be exposed. If they exist at all, they should not exist.

The committee will pursue the matter. It will take some time. We cannot do this work in a day. We have a formidable task to do when we go into all the ramifications. We can expose a little at a time, and that is what we shall have to do. I thank the distinguished Senator from Ohio.

THE ADMINISTRATION'S 1965 FARM PROPOSALS

Mr. ELLENDER. Mr. President, as chairman of the Committee on Agriculture and Forestry, I introduce for appropriate reference the administration's 1965 farm proposals. I expect soon to introduce proposed legislation of my own covering some of the commodities included in the administration's bill.

The PRESIDING OFFICER (Mr. TYDINGS in the chair). The bill will be received and appropriately referred.

The bill (S. 1702) to maintain farm income, to stabilize prices and assure adequate supplies of agriculture commodities, to reduce surpluses, lower Government costs and promote foreign trade, to afford greater economic opportunity in rural areas, and for other purposes, introduced by Mr. ELLENDER, by request, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

Mr. ELLENDER. Mr. President, I have not as yet had time to study the bill in detail, but from a cursory examination, I find that it contains six titles, which deal with all major farm crops, excepting cotton, peanuts, and tobacco.

Title I would extend the voluntary wheat certificate program for 2 years with a few changes from the present law. One of the most important, it seems to me, is that for the first time in many years an administration has asked that farmers receive the full parity price for that part of wheat production used domestically.

Mr. President, it is stated that our country is the most prosperous in the world. The gross national product in the last quarter of 1964 reached a high of almost $631 billion. Total national income in 1964 reached a new high of $510 billion. Business and professional income was at $39.3 billion, the highest ever; rental income at $12.4 billion, was also the highest ever; net interest income was at a new high of $27.8 billion; corporate profits reached $57.3 billion, the highest ever. But, what happened to farm income? Well at $12.7 billion, farm income was $300 million less than in 1963, and $5.1 billion less than the 1948 high of $17.8 billion.

Under these circumstances, where there is so much prosperity, and where all incomes are up, except in agriculture, I do not feel that it is asking too much when only parity is asked for wheat-growers on that portion of wheat produced for domestic consumption.

We have minimum wage and other labor laws to help labor, we have tariff laws and special tax laws to help business; therefore, why not special programs to help agriculture?

Title II of the bill would also extend the voluntary feed grain diversion program for 2 years with certain changes. One of the principal changes as I see it, would permit the diverted acreage to be devoted to the production of soybeans, as well as guar and other nonsupported crops that are not in surplus.

Title III contains a 2-year certificate program for rice which has deep implications, and which will require much study so that rice farmers can obtain a fair share of income.

Title IV would extend the Wool Act for 2 years with some minor changes.

Title V provides for a cropland adjustment program under which land would be taken out of production under long-term agreements with producers. That title will require close study, as we have had in the past much experience on a similar program.

And finally title VI provides for transfer by sale, lease, or other means of acreage allotments, base acres, and sugar proportionate shares. This is another title which will require close attention as it represents quite a departure from our current method of handling acreage allotments.

As I said, Mr. President, I have not had time to study the full implications of the provisions of this bill. I am introducing it so that all interested parties can study and appraise the advantages and disadvantages inherent in such legislation. It is my hope that the Senate committee can begin to hold hearings within, say, 3 or 4 weeks. This will give every interested party plenty of time to prepare.

Mr. President, I ask unanimous consent to have printed, following my remarks, an explanation of the bill.

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

SUMMARY OF PRINCIPAL PROVISIONS OF PROPOSED BILL

TITLE I—WHEAT

Title I would extend the voluntary wheat marketing certificate program for 2 years—

1966 and 1967—with certain changes in the program features.

1. Wheat marketing quotas would be suspended during the operation of the voluntary program.

2. Acreage allotments would be continued for purposes of determining eligibility for price support, marketing certificates and diversion payments, but certain changes would be made to simplify the method for determining allotments. Under the new method, State, county and farm allotments will simply be computed on the basis of the preceding year's allotment.

3. The marketing certificate program would be similar to that in effect for 1964 and 1965 with the following changes:

(a) The number of certificates received by each farm would be based on the projected farm yield rather than the normal yield.

(b) The bill would authorize the Secretary to provide for distributing the certificates among the producers on the farm on a fair and equitable basis instead of requiring them to be distributed on the basis of the respective shares of the producers in the wheat crop.

(c) The Secretary would be authorized to adjust the amount of certificates issued with respect to any farm for failure of a producer to comply fully.

(d) "Food products" for which marketing certificates are required to be purchased by processors are redefined to mean those products composed wholly or partly of wheat to be used for human consumption, including beverage, as determined by the Secretary.

(e) The Secretary would be authorized to exempt processors from the requirement to purchase certificates for wheat produced by a State and processed for use by the State, wheat processed for donation and wheat processed for other noncommercial uses.

4. The diversion program for wheat would be extended for two years—1966 and 1967—with the following changes:

(a) The limitation of 50 per centum of the price support rate on diversion payments would be removed.

(b) The limitation on the number of acres of additional voluntary diversion would be raised from 20 per centum of the farm allotment to 50 per centum of the allotment.

(c) The Secretary may permit the diverted acreage to be devoted to guar, sesame, safflower, sunflower, castor beans, mustard seed, soybeans and flax, if he determines that such production of the commodity is needed, is not likely to increase the cost of the price support program, and will not adversely affect farm income.

5. Price support—

(i) for wheat with domestic certificates would be between 65 and 100 per centum of parity. Price support for wheat with export certificates would be at such level, not more than parity, as the Secretary determines;

(ii) for non-certificate wheat would be on the basis of competitive world prices of wheat and the feeding value of wheat in relation to feed grains.

6. Minimum price for sales of wheat from Commodity Credit Corporation stocks would be 105 per centum of loan rate, plus reasonable carrying charges, as under the program in effect for 1964 and 1965.

7. The existing provisions of law permitting substitution of wheat and feed grains would be left in effect.

8. After 1967, the existing provisions of law for marketing quotas, marketing certificates, and price support would again become effective.

Title I of the bill would also amend section 377 of the Agricultural Adjustment Act of 1938, as amended, to preserve the acreage allotment for the farm for any commodity in any case in which the acreage planted to the commodity is less than the allotment.

Title I would also change the marketing quota provisions on rice and wheat to provide that in computing marketing penalties, the excess production on which the penalty will be assessed will be determined on the basis of the projected farm yield instead of the normal yield. "Projected farm yield" is defined as the yield per harvested acre of such crop on the farm during each of the 3 calendar years immediately preceding the year in which such crop is produced, adjusted for abnormal weather conditions affecting such yield, for trends in yields, and for any significant changes in production practices.

TITLE II—FEED GRAINS

Title II would extend the feed grain program for 2 years—1966 and 1967—with certain changes in the program features.

1. Price support—

(a) If a feed grain diversion program is in effect, producers would be required, as a condition of eligibility for price support, to participate in the diversion program to the extent prescribed by the Secretary.

(i) Existing law, which would remain in effect, provides that if an acreage diversion program is in effect for feed grains, price support corn shall be at 65 to 90 percent of parity and at comparable levels for grain sorghums, barley, oats, and rye.

(ii) A payment-in-kind, in addition to price support provided through loans and purchases, would be authorized to be made available to producers participating in the acreage diversion program. In determining the amount or amounts of the payment-in-kind, the Secretary would be authorized to take into account the extent of participation by the producer. The payment-in-kind would be made on such part of the feed grain acreage as the Secretary determines desirable to effectuate the purposes of the program. The Secretary could permit producers to have acreage devoted to soybeans considered as devoted to feed grains for purposes of payments-in-kind. The bill would authorize the Secretary to provide for distributing the payment-in-kind certificates on a fair and equitable basis instead of requiring them to be distributed on the basis of the respective shares of the producers in the feed grain crop. The Secretary would be authorized to adjust the payments-in-kind for failure to comply fully with the program.

(b) If an acreage diversion program is not in effect, existing law, which would remain in effect, provides that price support for corn shall not be not less than 50 or more than 90 percent of parity as will not result in increasing Commodity Credit Corporation stocks and at comparable levels for grain sorghums, barley, oats, and rye.

2. The feed grain acreage diversion program would be similar to that in effect for 1964 and 1965 with the following changes:

(a) The limitation on payments of 50 percent of the price support rate would be removed.

(b) The Secretary may permit the diverted acreage to be devoted to the production of guar, soybeans, sesame, safflower, sunflower, castor beans, mustard seed, and flax, if he determines that such production of the commodity is needed, is not likely to increase the cost of the price support program, and will not adversely affect farm income.

(c) The program would be limited to corn, grain sorghums, and, if designated by the Secretary, barley.

(d) The payment limitation of 20 percent of the fair market value with respect to acreage involved in the program would be removed.

(e) The malting barley exemption would be removed.

3. The existing provisions of law permitting substitution of wheat and feed grains would be left in effect.

TITLE III—RICE

Title III of the bill would authorize a marketing certificate program for rice for 2 years—1966 and 1967—similar to the marketing certificate program for wheat. Marketing quotas would remain in effect.

1. The Secretary would proclaim a national acreage allotment equal to the number of acres which the Secretary determines will, on the basis of the projected national yield and expected underplantings of farm acreage allotments, produce an amount of rice which, together with the estimated carryover, would be adequate to make available a supply equal to estimated domestic consumption, exports, and an adequate carryover. The minimum national acreage allotment would be one which would produce not less than 60 million hundredweights of rice instead of the 1,652,596 acres specified under existing law.

2. Producers would receive a rice marketing allocation on which marketing certificates would be issued equal to the number of hundredweights obtained by multiplying the estimated production on the allotted acres by the percentage estimated by the Secretary to be the percentage of the rice crop which will be used in the United States during the marketing year except for seed. Provision is made for issuing additional certificates to be financed by Commodity Credit Corporation on the first 1,500 hundredweight of each farmer's production. Thus, small producers would receive relatively the highest returns from marketing certificates.

3. The marketing certificates would have a value per hundredweight equal to the difference between the price support on certificate rice and noncertificate rice.

4. Marketing certificates would be required to cover all rice processed in the United States and all processed rice imported into the United States, but the value of the certificates would be refunded on all processed rice exported from the United States. The Secretary would be authorized to exempt processors from the requirement to purchase certificates from (i) rice processed for donation, (ii) rice processed for use on the farm where grown, (iii) rice produced by a State or agency thereof and processed for use by the State or agency thereof, and (iv) rice processed for uses determined by the Secretary to be noncommercial.

5. Commodity Credit Corporation would be authorized to buy and sell marketing certificates.

6. The Secretary would be authorized to take such action as he determines would be necessary to facilitate the transition from the program currently in effect to the marketing certificate program.

7. Price support—

(i) for rice with marketing certificates would be between 65 and 100 percent of parity;

(ii) for noncertificate rice would be at such level, not in excess of parity, as the Secretary determines will provide orderly marketing of rice and retain an adequate share of the world market, taking into consideration the price of rice in world markets and other factors.

8. The minimum price for sales of rice from Commodity Credit Corporation stocks would be 105 percent of loan rate, plus reasonable carrying charges.

9. After 1967, the existing provisions of law for acreage allotments, marketing quotas, and price support will again become effective.

Title III would also provide authority to reduce the rice acreage allotment for any farm if the farmowner or landlord evicts or otherwise mistreats a rice tenant or sharecropper on the farm.

TITLE IV—WOOL

Title IV would amend the National Wool Act to extend the period during which price support may be made thereunder beyond its present termination date of March 31, 1966, to December 31, 1967. The bill would further amend that act by deleting the presently

stated policy of encouraging domestic production of 300 million pounds of shorn wool, and the requirement that the support level be such as will result in a production of 360 million pounds if such support level would not exceed 90 percent of parity, and providing in lieu thereof a new policy of supporting wool at such level as will encourage domestic production of as much of the Nation's requirements of wool as possible at prices fair to both producers and consumers, minimize the adverse effect upon foreign trade, and not result in such an increase in lamb production as will depress lamb prices and reduce the total returns to producers from sheep production. Provision is made for three graduated levels of price support based upon each producer's marketings during the marketing year. Thus, small producers would receive relatively the highest returns from price support.

TITLE V—CROPLAND ADJUSTMENT

Title V would extend the Soil Bank Act to authorize a long-term cropland adjustment program under which the Secretary would be authorized to enter into long-term agreements with producers to assist them in diverting their cropland to vegetative cover, water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, or practices or uses for the establishment, protection, and conservation of open spaces, natural beauty, wildlife, and recreational resources, and for the prevention of air and water pollution.

The Secretary would be authorized to enter into contracts with producers during the period 1965 through 1970 to be carried out during the period ending not later than December 31, 1979. The period covered by any contract would be not less than 5 years nor more than 10 years.

Grazing would be prohibited except in the case of severe drought, flood, or other natural disaster.

In return for the producer's diverting his cropland to approved uses, the Secretary would share the cost of establishing such uses and make an annual payment to the producer for the period covered by the contract. Authority would be given to the Secretary to make the annual payments for all years of the contract upon approval of the contract or in installments.

The total acreage placed under contract in any county would be limited to a percentage of the total eligible acreage in such county as the Secretary determines would not adversely affect the economy of the county.

For the purpose of obtaining an increase in the permanent retirement of cropland to noncrop uses, the Secretary would be authorized to transfer funds appropriated for carrying out the program to any other Federal agency or to States or local governmental agencies for use in acquiring cropland for the preservation of open spaces and natural beauty, the development of wildlife and recreational facilities, and the prevention of air and water pollution.

The Secretary would also be authorized to share the cost with State and local governmental agencies in the establishment of practices and uses which will establish, protect, and conserve open spaces, natural beauty, wildlife, and recreational resources and prevent air and water pollution.

Title V would also provide authority under which the Secretary would be authorized to prescribe a uniform rule for the preservation of cropland, crop acreage, and allotment history with respect to acreage which is devoted to vegetative cover and other approved uses.

TITLE VI—TRANFER OF ALLOTMENTS

Title VI would authorize the Secretary to permit the transfer by sale, lease, or other means of acreage allotments, base acreages, and sugar proportionate shares which have been established under Federal law, including the transfer from one farm owned by a person to another farm owned by him. The Secretary could not authorize the transfer of allotments, base acreages, and proportionate shares unless he determined that the effective operation of the program involved would not be impaired.

No transfer would be permitted outside the State, from a farm subject to a mortgage or other lien unless agreed to by the lienholder, or until a copy of the transfer had been filed with the county committee of the county to which transferred and it was determined by the committee that it complied with the provisions of the statute.

The transfer of an allotment, base acreage, or proportionate share also would include the acreage history and marketing quota attributable thereto.

The Secretary would be required to prescribe regulations governing transfers including provisions for adjusting the size of the allotment transferred if the farm to which the allotment is transferred has a substantially higher yield, and for putting reasonable limits on the size of the resulting allotments.

If the farm from which the transfer was made was covered by a conservation reserve contract, cropland conversion agreement, or other similar land utilization agreement, the rates of payment in the contract or agreement would be appropriately adjusted, but no similar adjustment would be made for the farm to which the transfer is made.

Provisions of existing law authorizing leases of tobacco allotments and transfer of producer rice allotments would be repealed.

ACREAGE-POUNDAGE MARKETING QUOTAS FOR TOBACCO

The Senate resumed the consideration of the bill (H.R. 5721) to amend the Agricultural Adjustment Act of 1938, as amended, to provide for acreage-poundage marketing quotas for tobacco, to amend the tobacco price support provisions of the Agricultural Act of 1949, as amended, and for other purposes.

Mr. ELLENDER. Mr. President, a little more than 28 years ago, I introduced that title of the law which now covers tobacco. During the entire time the tobacco law has been on the statute books, somehow, in some way, tobacco growers when they wanted to amend the law, got together and agreed to present a united front with respect to any changes to be made.

I point out that since 1956 the acreage in tobacco has decreased from 875,200 acres to 626,000 acres. All of that reduction was agreed to by the tobacco growers. I regret that today there is some difference of opinion among the tobacco growers.

I attended the hearings and was present when all parties testified on the proposal now before the Senate. Except for some of the witnesses from Georgia and Florida and a few others who testified against the bill, the rest of the tobacco growers of the country seem to be in accord.

I believe the record will show that the tobacco growers of Georgia and Florida produce from 10 to 13 percent of the Flue-cured tobacco that we are discussing. The rest of the crop is produced in North Carolina, South Carolina, Virginia, and some in Kentucky.

I gave consideration to the fact that there was testimony in the hearings tending to show that under the law last year the Secretary of Agriculture presented a proposal to the tobacco growers whereby they were further to reduce their acreage by 19.5 percent. That proposal was submitted to the farmers. It carried by over two-thirds of those voting. That concerned me. However, I learned later that a precedent had been established in 1955. The farmers had previously approved marketing quotas for the 1953, 1954, and 1955 crops of burley tobacco. The Secretary established quotas for 1955 which required a 10 percent reduction in allotments. This was not a large enough reduction, and legislation was passed providing for a further 15-percent reduction, if approved by farmers in a referendum. I believe that action constitutes a valid precedent for the present bill. It is up to Congress to make this change if it sees fit. If the present bill is enacted, it would mean that the tobacco growers would be given another opportunity to vote on a proposal which will reflect the new provisions of the pending bill.

There is no doubt that something must and should be done with respect to tobacco. I understand that the administration is in favor of the bill as presented with the possible exception of one amendment offered by the distinguished Senator from Kentucky. But, I do not believe there is much opposition to that amendment.

If the tobacco price support program is to continue, be of value and not hurt the farmers in the future, it seems to me that something must be done to curtail the enormous surplus now in the warehouses.

As my good friend from North Carolina pointed out, because Florida and Georgia markets for tobacco open a little earlier than the tobacco markets in Virginia, South Carolina, North Carolina, and Kentucky, they have an advantage in being able to sell their crops at an earlier date. I understand that was the reason given by witnesses as to why there is less tobacco placed under loan from Florida and Georgia.

The fact remains that about 88 percent of the tobacco that we are talking about now—a tremendous percentage—is grown in the States of North Carolina, South Carolina, and Virginia in particular. It would seem to me that unless something is done to alleviate this surplus we will be in serious trouble. This bill, if enacted, will correct the problem by putting the production of tobacco on an acreage-poundage basis rather than just acreage. Because of this there will likely be a reduction in production this year.

There is no doubt in my mind that reductions in tobacco acreage have stimulated intensive cultivation and growth of much tobacco that is now not of high quality. As the acreages of the farmers decrease they pour a little more fertilizer on the crop, they plant the tobacco stalks a little closer and the rows a little closer, resulting in more production.

As a result, as I recall, the production of tobacco has increased from about 600

to 800 pounds per acre, when the bill was first put on the statute books, to about 2,200 pounds now. All of that has come about, in my opinion, because the acreage in tobacco has been smaller and smaller. Of course, the farmers tried to grow more and more tobacco on the decreased acreage.

The pending bill, as I understand, contemplates putting tobacco allocations on an acreage-poundage basis, which would mean that a farmer would be allocated so many pounds as a marketing quota. In that way he would probably be able to plant a little larger acreage, and not use so much fertilizer, and perhaps produce a better quality of tobacco that will be readily sold on the market.

Because of the fact that there is such a large quantity of surplus tobacco on hand, it is my belief we ought to give the bill a trial, at any rate. I am hopeful the Senate will look with favor on the bill.

As I have said, the administration is for the bill. In the new farm bill, which I just sent to the desk for reference, tobacco is not included. As I understand, this will be the only bill introduced this year affecting tobacco.

Mr. JORDAN of North Carolina. So far as I know, that is correct.

Mr. ELLENDER. I ask that the bill be enacted.

AMENDMENT OF MANPOWER DEVELOPMENT AND TRAINING ACT OF 1962

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 974) to amend the Manpower Development and Training Act of 1962, as amended, and for other purposes, which was to strike out all after the enacting clause and insert:

That this Act may be cited as the "Manpower Act of 1965".

SEC. 2. (a) Section 102(5) of the Manpower Development and Training Act of 1962, as amended (hereinafter referred to as the "Act"), is amended by adding a comma after the word "arrange" and inserting "through grants or contracts," immediately following the comma.

(b) Section 102 of the Act is further amended by striking out "and" at the end of paragraph (4), by striking out the period at the end of paragraph (5) and inserting in lieu of such period "; and", and by adding at the end of such section the following new paragraph:

"(6) establish a program of experimental, developmental, demonstration, and pilot projects, through grants to or contracts with public or private nonprofit organizations, or through contracts with other private organizations, for the purpose of improving techniques and demonstrating the effectiveness of specialized methods in meeting the manpower, employment, and training problems of worker groups such as the long-term unemployed, disadvantaged youth, displaced older workers, the handicapped, members of minority groups, and other similar groups. In carrying out this subsection the Secretary of Labor shall, where appropriate, consult with the Secretaries of Health, Education, and Welfare, and Commerce, and the Director of the Office of Economic Opportunity. Where programs under this paragraph require institutional training, appropriate arrangements for such training shall be agreed to by the Secretary of Labor and the Secretary of Health, Education, and Welfare. He shall also seek the advice of consultants with respect to the standards governing the adequacy and design of proposals, the ability of applicants and the priority of projects in meeting the objectives of this Act."

SEC. 3. (a) Title I of the Act is amended by renumbering sections 103 and 104 as sections 106 and 107, respectively, and by inserting immediately after section 102 the following new sections:

"JOB DEVELOPMENT PROGRAMS

"SEC. 103. The Secretary of Labor shall stimulate and assist, in cooperation with interested agencies both public and private, job development programs, through on-the-job training and other suitable methods, that will serve to expand employment by the filling of those service and related needs which are not now being met because of lack of trained workers or other reasons affecting employment or opportunities for employment.

"LABOR MOBILITY DEMONSTRATION PROJECTS

"SEC. 104. (a) During the period ending June 30, 1967, the Secretary of Labor shall develop and carry out, in a limited number of geographical areas, pilot projects designed to assess or demonstrate the effectiveness in reducing unemployment of programs to increase the mobility of unemployed workers by providing assistance to meet their relocation expenses. In carrying out such projects the Secretary may provide such assistance, in the form of grants or loans, or both, only to involuntarily unemployed individuals who cannot reasonably be expected to secure full-time employment in the community in which they reside, have bona fide offers of employment (other than temporary or seasonal employment), and are deemed qualified to perform the work for which they are being employed.

"(b) Loans or grants provided under this section shall be subject to such terms and conditions as the Secretary shall prescribe, with loans subject to the following limitations:

"(1) there is reasonable assurance of repayment of the loan;

"(2) the credit is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;

"(3) the amount of the loan, together with other funds available, is adequate to assure achievement of the purposes for which the loan is made;

"(4) the loan bears interest at a rate not less than (A) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (B) such additional charge, if any, toward covering other costs of the program as the Secretary may determine to be consistent with its purposes; and

"(5) the loan is repayable within not more than ten years.

"(c) Of the funds appropriated for a fiscal year to carry out this Act, not more than $5,000,000 may be used for the purposes of this section.

"TRAINEE PLACEMENT ASSISTANCE DEMONSTRATION PROJECTS

"SEC. 105. During the period ending June 30, 1967, the Secretary of Labor shall develop and carry out experimental and demonstration projects to assist in the placement of persons seeking employment through a public employment office who have successfully completed or participated in a federally assisted or financed training, counseling, work training, or work experience program and who, after appropriate counseling, have been found by the Secretary to be qualified and suitable for the employment in question, but to whom employment is or may be denied for reasons other than ability to perform, including difficulty in securing bonds for indemnifying their employers against loss from the infidelity, dishonesty, or default of such persons. In carrying out these projects the Secretary may make payments to or contracts with employers or institutions authorized to indemnify employers against such losses. Of the funds appropriated for fiscal years ending June 30, 1966, and June 30, 1967, not more than $200,000 and $300,000, respectively, may be used for the purpose of carrying out this section."

(b) Section 102(2) of the Act is amended by striking out "104" and inserting in lieu thereof "107".

SEC. 4. Section 202(i) of the Act is amended by striking out ", and such persons shall be eligible for training allowances for not to exceed an additional twenty weeks".

SEC. 5. (a) Section 203(a) of the Act is amended as follows:

(1) Amend the second sentence thereof to read as follows: "Such payments shall be made for a period not exceeding one hundred and four weeks, and the basic amount of any such payment in any week for persons undergoing training, including uncompensated employer-provided training, shall not exceed $10 more than the amount of the average weekly gross unemployment compensation payment (including allowances for dependents) for a week of total unemployment in the State making such payments during the most recent four-calendar-quarter period for which such data are available: *Provided*, That the basic amount of such payments may be increased by $5 a week for each dependent over two up to a maximum of four additional dependents: *Provided further*, That in any week an individual who, but for his training, would be entitled to unemployment compensation in excess of his total allowance, including payments for dependents, shall receive an allowance increased by the amount of such excess.";

(2) Amend the second paragraph thereof to read as follows:

"With respect to any week for which a person receives unemployment compensation under title XV of the Social Security Act or any other Federal or State unemployment compensation law which is less than the total training allowance, including payments for dependents, provided for by the preceding paragraph, a supplemental training allowance may be paid to a person eligible for a training allowance under this Act. The supplemental training allowance shall not exceed the difference between his unemployment compensation and the training allowance provided by the preceding paragraph.";

(3) Insert the words "under the training program" after "compensated hours per week" in the third paragraph of such subsection;

(4) In lieu of the fourth paragraph of such subsection insert the following:

"The training allowance of a person engaged in training under section 204 or 231 shall not be reduced on account of employment (other than employment under an on-the-job training program under section 204) which does not exceed twenty hours per week, but shall be reduced in an amount equal to his full earnings for hours worked (other than in employment under such an on-the-job training program) in excess of twenty hours per week."

(b)(1) Section 203(b) of the Act is amended by striking out the matter following "to defray transportation" and preceding "Provided", and by inserting in lieu of such matter the following: "expenses, and when such training is provided in facilities which are not within commuting distance of the trainee's regular place of residence, subsistence expenses for separate maintenance of the trainee:".

(2) Such subsection is further amended by inserting immediately before the period

at the end thereof the following: ", except in the case of local transportation where he may authorize reimbursement for the trainee's travel by the most economical mode of public transportation, and except that in noncontiguous States and in areas outside the continental United States where the per diem allowance prescribed under section 836 of title 5, United States Code, exceeds the maximum per diem allowance prescribed under that section for contiguous States, the Secretary may provide for a reasonable increase in the transportation and subsistence expenses in such amounts as he may deem necessary to carry out the purposes of this Act, and subject to such limitations as he may prescribe".

(c) Section 203(c) of the Act is amended as follows:

(1) Strike the words "not less than" in the first sentence and insert "at least" in lieu thereof;

(2) Strike out everything in the first sentence after the words "gainful employment", and insert the following in lieu thereof: ": *Provided*, That they are not members of a family or a household in which the head of the family or the head of the household as defined in the Internal Revenue Code of 1954 is employed.";

(3) Amend the last sentence to read as follows: "The number of youths under the age of twenty-two who are receiving training allowances (or who would be entitled thereto but for the receipt of unemployment compensation) shall, except for such adjustments as may be necessary for effective management of programs under this section, not exceed 25 per centum of all persons receiving such allowances (or who would be entitled thereto but for the receipt of unemployment compensation)."

(d) Subsection (d) of section 203 of the Act is repealed and subsections (e), (f), (g), (h), (i), and (j) of such sections are designated as (d), (e), (f), (g), (h), and (i), respectively.

(e) The first sentence of section 203(g)(2) of the Act (as redesignated by section 5(d) of this Act) is amended by striking out everything that follows "all of such benefits paid" and inserting in lieu thereof a period.

SEC. 6. Section 208 of the Act is repealed.

SEC. 7. Section 231 of the Act is amended by striking the third sentence and inserting in lieu thereof the following: "The State agency shall be paid not more than 90 per centum of the cost to the State of carrying out the agreement, unless the Secretary of Health, Education, and Welfare determines that payments in excess of 90 per centum are necessary because such payments with respect to private institutions are required to give full effect to the purposes of the Act: *Provided*, That for the period ending June 30, 1966, the State agency shall be paid 100 per centum of the cost to the State of carrying out the agreement. Non-Federal contributions may be in cash or kind, fairly evaluated, including but not limited to plant, equipment, and services."

SEC. 8. Title II of the Act is amended by adding part C to the end thereof to read as follows:

"PART C—REDEVELOPMENT AREAS

"SEC. 241. (a) The Secretaries of Labor and of Health, Education, and Welfare, in accordance with their respective responsibilities under parts A and B of this title, are authorized to provide a supplementary program of training and training allowances, in consultation with the Secretary of Commerce, for unemployed and underemployed persons residing in areas designated as redevelopment areas by the Secretary of Commerce under the Area Redevelopment Act or any subsequent Act authorizing such designation. Such program shall be carried out by the Secretaries of Labor and of Health, Education, and Welfare in accordance with the provisions otherwise applicable to programs under this Act and with their respective functions under those provisions, except that—

"(1) the Secretary of Labor, in consultation with the Secretary of Commerce, shall determine the occupational training or retraining needs of unemployed or underemployed individuals residing in redevelopment areas;

"(2) all unemployed or underemployed individuals residing in redevelopment areas who can reasonably be expected to obtain employment as a result of such training may be referred and selected for training and shall be eligible for training allowances under this section: *Provided*, That the amount and duration of training allowances under this section shall in no event exceed the amount and duration of training allowances provided under section 203(a) of this Act;

"(3) the Secretaries of Labor and of Health, Education, and Welfare shall, each with respect to his functions under this section, prescribe jointly with the Secretary of Commerce such rules and regulations as may be necessary to carry out the purposes of this section; and

"(4) section 301 shall not apply with respect to funds available under this section.

"(b) There are hereby authorized to be appropriated for each fiscal year such amounts as may be necessary to carry out this section."

(b) Sections 16 and 17 of the Area Redevelopment Act (42 U.S.C. 2513 and 2514) are repealed.

(c) This section and the amendments made by it shall take effect on July 1, 1965.

SEC. 9. Section 301 of the Act is amended by striking the period at the end thereof, inserting a colon, and adding the following proviso:

"*Provided*, That no funds apportioned with respect to a State in any fiscal year shall be reapportioned before the expiration of the 6th month of such fiscal year and only upon 30 days' prior notice to such State of the proposed reapportionment, except that the requirement for prior notice shall not apply with respect to any reapportionment made during the last quarter of the fiscal year."

SEC. 10. Section 302 of the Act is amended by striking the word "and" following "the Smith-Hughes Vocational Education Act" inserting a comma in lieu thereof, and inserting "and the Vocational Education Act of 1963," following "the Vocational Education Act of 1946,".

SEC. 11. Section 304 of the Act is amended to read as follows:

"SEC. 304. For the purpose of carrying out this Act there are hereby authorized to be appropriated for the fiscal year ending June 30, 1966, and for each of the two succeeding fiscal years such amounts as may be necessary."

SEC. 12. The following subsection is added to section 305 of the Act to read as follows:

"(e) The costs of all training programs approved in any fiscal year, including the total cost of training allowances for such programs, may be paid from funds appropriated for such purposes for that fiscal year; and the amount of the Federal payment shall be computed on the basis of the per centum requirement in effect at the time such programs are approved: *Provided*, That funds appropriated for the fiscal year ending June 30, 1966, may be expended for training programs approved under this Act prior to July 1, 1965, and expenditures for such purposes shall be subject to the matching requirements in effect at the time such programs were approved."

SEC. 13. Subsection (a) of section 306 of the Act is amended by inserting after the comma immediately following the word "procedures" the following: "subject to such policies, rules and regulations as they may prescribe, the approval of any program under section 202, the cost of which does not exceed $75,000,"

SEC. 14. Sections 309(a) and 309(b) of the Act are both amended by striking "Prior to March 1, 1963, and again prior to April 1, 1964, April 1, 1965, and April 1, 1966" and inserting in lieu thereof: "Prior to April 1 in each year for which an appropriation is authorized by section 304".

SEC. 15. Section 310 of the Act is amended by striking out "1966" wherever it appears and inserting in lieu thereof "1968".

Mr. CLARK. Mr. President, I move that the Senate disagree to the amendment of the House to the bill (S. 974), which presently lies at the desk. This bill provided for some 20 amendments to the Manpower Development and Training Act. The House did not agree with the Senate version.

I move that the Senate ask for a conference on the disagreeing votes of the two Houses, and that conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to, and the Presiding Officer appointed Mr. CLARK, Mr. RANDOLPH, Mr. MCNAMARA, Mr. PELL, Mr. KENNEDY of Massachusetts, Mr. NELSON, Mr. PROUTY, Mr. JAVITS, and Mr. MURPHY conferees on the part of the Senate.

Mr. JORDAN of North Carolina. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JORDAN of North Carolina. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

ACREAGE-POUNDAGE MARKETING QUOTAS FOR TOBACCO

The Senate resumed the consideration of the bill (H.R. 5721) to amend the Agricultural Adjustment Act of 1938, as amended, to provide for acreage-poundage marketing quotas for tobacco, to amend the tobacco price support provisions of the Agricultural Act of 1949, as amended, and for other purposes.

Mr. JORDAN of North Carolina. Mr. President, I ask unanimous consent that the yeas and nays be ordered on the second amendment to be offered by the Senator from Georgia and the Senator from Florida.

Mr. TALMADGE. I have no objection to voting immediately on our substitute amendment. On the next amendment to be offered I desire to have a yea-and-nay vote. Am I to understand the Senator to ask unanimous consent that the yeas and nays be ordered on the next amendment to be offered?

Mr. JORDAN of North Carolina. Yes.

Mr. TALMADGE. I have no objection.

Mr. CARLSON. Mr. President, I would have to object to unanimous consent being given for a yea-and-nay vote.

Mr. TALMADGE. Mr. President, I ask that the yeas and nays be ordered on the next amendment that will be of-

fered by the Senator from Georgia and the Senator from Florida.

The PRESIDING OFFICER. The Senator must first ask unanimous consent that it be in order to order the yeas and nays on the next amendment.

Mr. TALMADGE. I ask unanimous consent that it be in order.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. Is the request for the yeas and nays sufficiently seconded? It is sufficiently seconded, and the yeas and nays are ordered.

Mr. TALMADGE. As I understand, the vote will now be taken on the substitute amendment of the Senator from Georgia and the Senator from Florida.

The PRESIDING OFFICER. The Senator is correct.

Mr. TALMADGE. On the next amendment to be offered, we shall have the yeas and nays.

The PRESIDING OFFICER. Yes.

The question now is on agreeing to the pending amendment offered by the Senator from Georgia and the Senator from Florida. [Putting the question.]

The nays appear to have it.

Mr. TALMADGE. I ask for a division.

On a division the amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. TALMADGE. Mr. President, I send to the desk an amendment offered on behalf of myself and the senior Senator from Florida [Mr. HOLLAND]. I ask that the amendment be read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the bill add the following new section:

SEC. 4. Nothing in this Act shall be construed as affecting the authority or responsibility of the Secretary of Agriculture under section 301(b)(15) or section 313(i) of the Agricultural Adjustment Act of 1938 with respect to providing that different types of tobacco shall be treated as different kinds of tobacco, or with respect to increasing allotments or quotas for farms producing certain types of tobacco.

Mr. TALMADGE. Mr. President, the amendment was drafted by the attorney for the Committee on Agriculture and Forestry. It would not change the existing law in any way whatever. It does make clear, however, that the lawsuit which was filed on behalf of the farmers of Georgia and Florida, and won by those plaintiffs in the District Court for the Southern District of Georgia, which obtained a unanimous opinion in the fifth circuit court of appeals upholding the lower court decision shall prevail and that that decision be preserved.

The Senator in charge of the bill and the distinguished senior Senator from North Carolina say they have no desire to change that situation. However, the language of the bill would change the existing law, which provides:

Any one or more of the types comprising any such kind of tobacco shall be treated as a "kind of tobacco" for the purposes of this Act if the Secretary finds there is a difference in supply and demand conditions as among such types of tobacco which results in a difference in the adjustments needed in the marketings thereof in order to maintain supplies in line with demand.

Let us turn to the provisions of the bill. What do we find?

On page 2 of the bill, lines 16 to 18, read:

In making this determination the Secretary shall give consideration to such Federal-State production research data as he deems relevant.

He could get a letter from someone in Hong Kong and deem that relevant and throw out the lawsuit which our farmers have won.

I ask the Senate to deal equitably with those who have gone to court to sustain their convictions and have won a judgment. If the Senate wishes to be fair and honorable, it will sustain the amendment.

I yield 2 minutes to the distinguished Senator from Tennessee.

Mr. BASS. Mr. President, for the past 10 years that I have served in Congress I have had the opportunity of working for and voting for every tobacco program that has been passed by Congress. I realize now that the Flue-cured tobacco growers have a problem and that there is a surplus of tobacco; therefore, something must be done to relieve the situation. For that reason I shall support the pending legislation.

However, I believe that in all honesty and fairness the amendment of the Senator from Georgia should be adopted, because there is litigation now pending in the court. Suit has been filed, and the lower court has held that the petitioners in the tobacco areas of Florida, Georgia, and South Carolina were correct.

I believe that Congress should not legislate these people out of court.

I believe that they were right before the passage of the legislation, and that if their case was just and fair then, their case would be just and fair next year.

Therefore, although the proposed legislation is intended to improve the tobacco situation in the Flue-cured tobacco area, I am supporting the amendment for that reason. My colleagues in the Senate would be ill advised if they did not support the amendment of the Senator from Georgia and the Senator from Florida, because although it has been said by some that the proposed legislation would not throw these people out of court, still, if there is any possibility that they would be thrown out of court, the amendment is some insurance to those who are in court at this time. I believe the amendment should be adopted.

Mr. TALMADGE. Mr. President, I yield 1 minute to the able Senator from Ohio.

Mr. LAUSCHE. Mr. President, several minutes ago I asked why a saving clause amendment to protect the lawsuit that was pending and decided in the courts of Georgia was not advisable. Now I understand an amendment has been offered to provide a saving clause for that lawsuit. In my opinion, nothing is more reprehensible in the conduct of legislative bodies than to try by legislation to reverse decisions of our duly constituted courts.

The court has spoken. There is an appeal pending to the U.S. Supreme Court.

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

Mr. LAUSCHE. I ask for 1 additional minute.

Mr. TALMADGE. I yield 1 additional minute.

Mr. LAUSCHE. I say in complete charity, an effort is being made to subvert the decision of the court. It is wrong. This honorable body should not approve of it.

Mr. President, I support completely the amendment offered by the Senator from Georgia.

Mr. TALMADGE. Mr. President, I yield 2 minutes to the cosponsor of the amendment, the able and distinguished senior Senator from Florida.

Mr. HOLLAND. Mr. President, it seems to me that the question we are asked to determine is this: Are we to stand by our oft spoken pledge to have and to insist upon a government of laws and not a government of men?

If anyone wishes to read, even in a cursory fashion, lines 16 to 18 on page 2 of the bill, he will see that the purpose is to give complete discretion to the Secretary to follow any rule that he believes to be relevant in determining what shall be done under the law. I shall read those words again:

In making this determination the Secretary shall give consideration to such Federal-State production research data as he deems relevant.

Mr. President, I do not believe that the Senate wishes to put itself on record as favoring the imposition of the judgment of any one man, no matter how dedicated he may be, in this important and controversial matter which is for the judgment of the courts. It is a case in which there has already been entered a decree of the District Court of the United States and a decree of the Circuit Court of Appeals of the United States, but in that litigation the final word has not been spoken, because the appeal can go to the U.S. Supreme Court.

I hope that the amendment will be adopted.

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

Mr. HOLLAND. I yield.

Mr. COOPER. I believe it is important to make legislative history on the amendment. It has been said on the floor of the Senate by several Senators that they do not believe the amendment is necessary, because the existing section of the law would be maintained.

I should like to ask the following question of the distinguished author of the amendment: In the event that the amendment should be adopted—and if it is correct, as I believe it to be, that the existing section of law would stand, whether the amendment is adopted or not—would the author say that the language of the amendment would create some kind of presumption which would then become an element for consideration by the court? Would it add anything? Would the amendment add any factor which the courts could then take into consideration?

Mr. HOLLAND. Mr. President, I do not believe the amendment would add any additional factor. That is not the intent of Senators who have offered the amendment. We merely wish to be very sure that there is preserved the right of those who have gone to court to have a final court adjudication of the important question which they have raised under existing law, which applies not merely to tobacco, and not merely to type 14 tobacco, but to many other commodities as well. We think that that point should be decided by the courts. It is for that reason that we have offered the amendment.

Mr. COOPER. Then the Senator would agree—and I assume the Senator from Georgia would agree also—that the purpose of the amendment is to do nothing more than to preserve the existing law, and that it would in no way create a presumption upon which the court could fasten and say, "We have been directed by the Congress to act in a specific way"?

Mr. HOLLAND. I yield to the distinguished Senator from Georgia to answer that question. I have already said that we are acting merely to preserve a lawsuit so that it may go to the Supreme Court for adjudication.

Mr. TALMADGE. It is the purpose and intent of the authors of the amendment to preserve the rights of the litigants under present law as they exist at the present time, without adding any additional rights to or taking any rights away from them. In other words, we wish to preserve the status quo as it is at the present time.

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

Mr. HOLLAND. I yield.

Mr. LAUSCHE. It is my judgment that if the amendment is adopted, nothing will be added or detracted from what will be offered to support the action pending in the courts.

Mr. HOLLAND. That is my understanding of the situation. It has been well stated by the Senator.

Mr. JORDAN of North Carolina. Mr. President, I yield to my colleague from North Carolina.

Mr. ERVIN. Mr. President, it would be unsafe to adopt the amendment. The amendment provides:

> Nothing in this Act shall be construed as affecting the authority or responsibility of the Secretary of Agriculture under section 301(b)(15) or section 313(i) of the Agricultural Adjustment Act of 1938 with respect to providing different types of tobaccos shall be treated as different kinds of tobacco or with respect to increasing allotments or quotas for farmers producing certain types of tobacco.

All farmers producing tobacco produce certain types of tobacco. The language of the amendment in stating, in effect, that the act shall not affect the authority of the Secretary to increase the allotments of farmers to produce certain types of tobacco would throw the validity of the whole bill in doubt. For that reason the amendment ought to be voted down.

Mr. JORDAN of North Carolina. Mr. President, I wish to make a short statement and then I shall be ready to vote.

There is no language in the bill which would in any way affect any authority or responsibility that the Secretary of Agriculture may have under section 301(b)(15) or section 313(i) of the Agricultural Adjustment Act of 1938. Therefore there is no need for the amendment, and we do not know what its possible effect might be. If the bill passes in its present form, sections 301(b)(15) and 313(i) will remain fully effective. But if we were to adopt the amendment, we would be suggesting that there is something in the bill that would, but for the amendment, affect the Secretary's authorities and responsibilities under section 301(b)(15).

In view of the statements that have been made with respect to the pending lawsuit, it is certain that the adoption of the amendment would be argued as showing that we adopted the contention of one side or the other in this lawsuit. Therefore, I must oppose the amendment. I am ready to vote.

Mr. TALMADGE. Mr. President, I shall detain the Senate only briefly.

The able and distinguished Senator from North Carolina objected to the language in the last three lines of the amendment. I invite the attention of Senators to the fact that all that language does is to restate existing law. If Senators will turn to the hearings on the bill, page 193, they will see section 313(a), section 313(g), and section 313(j). Section 313(i) reads as follows:

> (i) Notwithstanding any other provision of this Act, whenever after investigation the Secretary determines with respect to any kind of tobacco that a substantial difference exists in the usage or market outlets for any one or more of the types comprising such kind of tobacco and that the quantity of tobacco of such type or types to be produced under the marketing quotas and acreage allotments established pursuant to this section would not be sufficient to provide an adequate supply for estimated market demands and carryover requirements for such type or types of tobacco, the Secretary shall increase the marketing quotas and acreage allotments for farms producing such type or types of tobacco—

And so forth. Mr. President, that is existing law, and only existing law. The amendment would not change it one bit. What it would do would be to provide:

> The Secretary shall give such consideration to such Federal-State production research data as he deems relevant.

Mr. President, I do not wish the Secretary of Agriculture to look into the wastebasket and find a letter written by one in an insane asylum and say, "That is relevant." I think the Senate, if it wanted to be fair, would determine the same thing. I am ready to vote.

The PRESIDING OFFICER (Mr. BASS in the chair). The question is on agreeing to the amendment of the Senator from Georgia. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Connecticut [Mr. DODD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Alaska [Mr. GRUENING], the Senator from Indiana [Mr. HARTKE], the Senator from Arizona [Mr. HAYDEN], the Senator from Alabama [Mr. HILL], the Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Rhode Island [Mr. PASTORE], the Senator from Florida [Mr. SMATHERS], the Senator from Texas [Mr. YARBOROUGH], and the Senator from Mississippi [Mr. STENNIS] are absent on official business.

I also announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from South Carolina [Mr. JOHNSTON], the Senator from South Dakota [Mr. MCGOVERN], the Senator from New Hampshire [Mr. MCINTYRE], the Senator from Wisconsin [Mr. NELSON], the Senator from Georgia [Mr. RUSSELL], the Senator from Alabama [Mr. SPARKMAN], and the Senator from New Jersey [Mr. WILLIAMS] are necessarily absent.

I further announce that, if present and voting, the Senator from Connecticut [Mr. DODD], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. PASTORE], and the Senator from Florida [Mr. SMATHERS] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Delaware [Mr. BOGGS], the Senator from New York [Mr. JAVITS], and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

The Senator from Kansas [Mr. PEARSON] is absent on official business.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from California [Mr. MURPHY] are detained on official business.

If present and voting, the Senator from Utah [Mr. BENNETT], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from California [Mr. MURPHY], and the Senator from Kansas [Mr. PEARSON] would each vote "yea."

The result was announced—yeas 47, nays 23, as follows:

[No. 42 Leg.]

YEAS—47

Aiken	Douglas	Mundt
Allott	Ellender	Muskie
Bartlett	Fannin	Pell
Bass	Harris	Prouty
Bible	Holland	Randolph
Byrd, Va.	Hruska	Ribicoff
Byrd, W. Va.	Jordan, Idaho	Scott
Carlson	Kennedy, Mass.	Simpson
Case	Kennedy, N.Y.	Smith
Church	Kuchel	Symington
Clark	Lausche	Talmadge
Cooper	Long, Mo.	Thurmond
Cotton	McClellan	Tower
Curtis	Miller	Williams, Del.
Dirksen	Morse	Young, Ohio
Dominick	Morton	

NAYS—23

Anderson	Jackson	Montoya
Bayh	Jordan, N.C.	Moss
Brewster	Mansfield	Neuberger
Cannon	McCarthy	Proxmire
Ervin	McGee	Robertson
Fong	McNamara	Tydings
Hart	Metcalf	Young, N. Dak.
Inouye	Mondale	

NOT VOTING—30

Bennett	Gruening	Long, La.
Boggs	Hartke	Magnuson
Burdick	Hayden	McGovern
Dodd	Hickenlooper	McIntyre
Eastland	Hill	Monroney
Fulbright	Javits	Murphy
Gore	Johnston	Nelson

Pastore	Saltonstall	Stennis
Pearson	Smathers	Williams, N.J.
Russell	Sparkman	Yarborough

So the amendment offered by Mr. TALMADGE, for himself and Mr. HOLLAND, was agreed to.

Mr. TALMADGE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLAND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, while the Senators are in the Chamber and the majority leader is present, I should like to have some indication of the order of business for tomorrow and the remainder of the week.

Mr. MANSFIELD. Mr. President, at the conclusion of business this afternoon, it is the intention of the leadership to adjourn until 12 o'clock noon tomorrow, at which time it will take up calendar order No. 134, S. 800, a bill to authorize appropriations during fiscal year 1966 for procurement of aircraft, missiles, and naval vessels, and research, development, test, and evaluation for the Armed Forces, and for other purposes. Following the disposition of that bill, and others which may be on the calendar tomorrow, it is our intention then to go over to Wednesday. We hope that at that time we shall be able to take up the education bill.

ACREAGE-POUNDAGE MARKETING QUOTAS FOR TOBACCO

The Senate resumed the consideration of the bill (H.R. 5721) to amend the Agricultural Adjustment Act of 1938, as amended, to provide for acreage-poundage marketing quotas for tobacco, to amend the tobacco price support provisions of the Agricultural Act of 1949, as amended, and for other purposes.

Mr. JORDAN of North Carolina. Mr. President, I ask unanimous consent that on the pending amendment the time be limited to 20 minutes; 10 minutes to the side.

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

Mr. DIRKSEN. Mr. President, are other amendments pending this evening, or is there a likelihood of a record vote on the amendment?

Mr. TALMADGE. Mr. President, we have agreed on a unanimous-consent agreement for 20 minutes; 10 minutes to a side. I shall not ask for a yea-and-nay vote. So far as I am concerned, I shall be prepared to vote for passage after this amendment is disposed of. I have no objection to a yea-and-nay vote.

Mr. WILLIAMS of Delaware. Mr. President, I ask for the yeas and nays on passage.

The yeas and nays were ordered.

Mr. TALMADGE. Mr. President, I send to the desk an amendment on behalf of myself and the senior Senator from Florida. I ask that the amendment not be read, but printed in the RECORD.

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

The amendment was ordered to be printed in the RECORD, as follows:

AMENDMENTS TO H.R. 5721

Intended to be proposed by Mr. TALMADGE and Mr. HOLLAND to H.R. 5721, an Act to amend the Agricultural Adjustment Act of 1938, as amended, to provide for acreage-poundage marketing quotas for tobacco, to amend the tobacco price support provisions of the Agricultural Act of 1949, as amended, and for other purposes, viz:

On page 3, line 3, strike out "(f)" and insert "(e)".

On page 3, line 5, strike out "(e)" and insert "(d)".

On page 3, line 9, strike out "(f)" and insert "(e)".

On page 3, beginning in line 9 with the word "In" strike out through line 14.

On page 6, line 11, strike out "(f)" and insert "(e)".

Beginning on page 7 with line 15, strike out all through line 12 on page 8.

On page 8, line 13, strike out "(c)" and insert "(b)".

On page 10, line 2, strike out "subsections (b) or (c)" and insert "subsection (b)".

On page 9, line 24, strike out "(d)" and insert "(c)".

On page 11, strike out lines 2 through 6 and insert "referendum on acreage-poundage quotas under this subsection, and at least 15 days prior to the holding of any special referendum under subsection (b)".

On page 11, line 21, strike out "(e)" and insert "(d)".

On page 12, line 19, strike out "(f)" and insert "(e)".

Beginning on page 13 with the word "Transfers" in line 23, strike out all through line 6 on page 14.

On page 14, line 7, strike out "(g)" and insert "(f)".

On page 16, line 3, strike out "(h)" and insert "(g)".

On page 16, line 21, strike out "(f)" and insert "(e)".

Beginning on page 16 with line 25, strike out all through line 15 on page 17.

Mr. TALMADGE. Mr. President, this amendment would do one thing, and one thing only. It would postpone for 1 year, until 1966, the acreage-poundage provision with reference to tobacco.

Burley is not included. It would place Flue-cured tobacco on the same basis as burley tobacco. There will be no acreage-poundage law relating to burley in the bill next year.

Last November, the Flue-cured tobacco farmer, in a referendum, voted overwhelmingly, some 90-odd percent, to accept an acreage reduction of 19.5 percent on tobacco acreage. They have acted in good faith on the proposal offered by the Government to reduce acreage 19.5 percent down in Florida.

In Florida virtually all of the Flue-cured tobacco people have already planted their tobacco. In my own State of Georgia virtually all of them would have completed their tobacco planting except that there has been a good deal of wet weather. That has impeded the planting of tobacco, but they have bought the seed and fertilizer, and under normal conditions would have planted 100 percent.

If this measure is approved by the Senate, the Secretary of Agriculture must call another referendum and say we did not mean what we said last November. We are changing the rules in the middle of the game, even though we have agreed to go ahead with this program. That is unfair and inequitable, particularly when the bill distinguishes between the burley producer and the Flue-cured tobacco producer. This measure would authorize poundage-acreage next year, but not in the year 1965.

I yield now to the able and distinguished senior Senator from Florida, who cosponsored the amendment.

Mr. HOLLAND. I thank the Senator from Georgia. I shall have very little to say.

The real reason for this amendment is very obvious. All of the tobacco acreage in my State, which is not heavy, but belongs to some 5,200 growers, most of them small people, has been planted. There is no doubt about it. We know that is the case.

The Senator from Georgia referred to a similar situation in his State, just a little back of us.

If the bill is passed—which I asume it will be—and signed by the President, a referendum will be had. There will be a 30-day delay. Before that time not only will every single grower of type 14 tobacco already have planted but the planting will have been far advanced, and others up the seaboard will have planted.

It is not right to change the law applicable to these people, when so much investment has been made, when the industry is already in trouble, where there is a breach of feeling as between important segments in the industry, and when the law makes an invidious distinction between producers of Flue-cured tobacco and the equally fine people who produce burley tobacco.

I commend the Senators from Tennessee and Kentucky for recommending to the committee that the producers of burley should not be affected until next year, which means November or December of this year. It seems to me to make that distinction, particularly in view of the fact that the tobacco will have been planted for some weeks ahead, and some of it for 2 or 3 months, is just as wrong as can be.

We therefore urge that the two great branches of the tobacco producing industry be placed on an equal footing and be treated alike, as they would be with the proposed change. I do not care what the growers decide to do if they have a fair chance to get to that question and have a fair chance to decide it, but I object to their having to decide it when there is such a great difference between this 12 percent—and it will be much greater—and the rest. I do object to their being affected in an invidious way, being called on to make expenditures when the floor may be pulled out from under them.

I see no reason for making this kind of distinction between the growers of Flue-cured and burley tobacco. If they want to approve it by a two-thirds or more vote in November or December, I am willing to have them do it. I think it would be unwise to do it, but it is up to the growers. However, to force the change at this time is manifestly inequitable. I hope the Senate will do

what it did a few minutes ago to avoid another manifest inequity when it voted that the litigation already pending would be saved from this bill.

Mr. TALMADGE. Mr. President, I reserve the remainder of my time.

Mr. JORDAN of North Carolina. Mr. President, I yield 2 minutes to my colleague from North Carolina.

Mr. ERVIN. Mr. President, if the Congress passes this bill, it will not be forcing the tobacco growers to do anything. It will merely give them a chance to determine whether they prefer the provisions of this bill over the old acreage allotments. We are in trouble today because the acreage procedures did not work. When acreage allotments are cut, the big growers merely put more fertilizer on the ground to grow more tobacco. The little growers cannot do it. The big one are the ones responsible for the overproduction, not the little growers.

The pending bill would put stringent controls under the poundage system rather than the acreage system. We are giving the growers the right to say whether they prefer the change. If they do not, they will vote it down.

There cannot be any comparison made as between the burley and Flue-cured tobacco because burley is not in great oversupply. That is not true of Flue-cured tobacco. The two cannot be compared for that reason.

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

Mr. ERVIN. I yield.

Mr. ROBERTSON. Burley is grown mostly in Kentucky. Most of the Flue-cured tobacco is grown in Florida, Georgia, the Carolinas, and Virginia. We have about 7 percent of it. There is an oversupply of it. Another bumper crop and we shall be ruined.

Mr. JORDAN of North Carolina. Mr. President, I yield myself 2 minutes. Flue-cured tobacco is included in this bill, but burley is not to be voted on this year, for the reason that burley is not in the trouble that Flue-cured tobacco is. There is no reason to have a referendum on burley this year. It authorizes the Secretary of Agriculture next year, if it is necessary—it may not be necessary—to call a referendum, after he has held hearings in the burley districts, which include Tennessee, Kentucky, and North Carolina, mostly. This is the reason burley is not included for this year.

Last year we sold on the domestic market and exported 1,100 million pounds of tobacco, but we produced 1,200 million to 1,250 million pounds. We put about 151 million more pounds in stock, which is that which we did not use or sell.

Last year there was a 10-percent cut in acreage. On top of the 10-percent cut in acreage, we also produced about 11 percent more tobacco than we did before.

The acreage system under which we are operating now is making a mockery of a balance between production and consumption. Technological processes give growers better ways for fertilizing, and better ways of tilling the soil, and other ways to get more tobacco out of a given piece of acreage. We have to do something to bring the production down. People do not smoke acres; they smoke pounds of tobacco.

The PRESIDING OFFICER. The time of the Senator allotted to himself has expired.

Mr. JORDAN of North Carolina. I yield the remaining time to the Senator from Kentucky.

Mr. COOPER. Mr. President, how much time is left?

The PRESIDING OFFICER. Six minutes.

Mr. COOPER. Mr. President, while I have been in the Senate Chamber during the debate, much of which concerned Flue-cured tobacco, until now I have not participated except to ask some questions about the last amendment for the purpose of securing an interpretation of that amendment. I have not participated in the debate principally because the bill, as has been said, does not apply to burley tobacco this year.

However, the bill does authorize acreage-poundage programs for burley and dark leaf tobacco, which are produced in Kentucky, next year or later. If the Secretary desires to do so next year, he can ask for a referendum of burley growers, to choose between acreage-poundage and the present program. If two-thirds of the farmers voting should then approve, the acreage-poundage system of production controls would supersede and take the place of the present acreage allotment system of controls for the tobacco price support program.

I do not know what will happen during the coming crop year with respect to burley tobacco and Dark Fired and Dark Air-cured tobacco.

I supported the bill because, unless either the growers keep yields and their production per acre down, or there is a very large increase in demand, it appears to me that our burley tobacco program will be getting into trouble. It may not be in serious trouble yet, but it could be. So I voted in committee for the bill in order to give our growers the opportunity a year from now, if the Secretary asks for a referendum, to decide which of these programs would be best for burley growers and for the producers of Dark Fired and Dark Air-cured tobacco.

I believe that the entire tobacco program is in considerable difficulty. As I sat on the subcommittee which held hearings on this bill under the direction of its chairman, the Senator from North Carolina [Mr. JORDAN], and with the Senator from Georgia [Mr. TALMADGE], I do have a duty to report my conclusions and my judgment as a result of those hearings.

There is a difference in the supply situation of Flue-cured tobacco and burley tobacco. For example, in the case of burley tobacco, Government loan stocks on February 28, 1965, amounted to 341 million pounds. In the case of Flue-cured tobacco, Government loan stocks amounted to 938 million pounds valued at more than $600 million.

As I interpret the testimony we heard, it was to the effect that if this year there is a good crop of Flue-cured tobacco—and the same would apply to burley tobacco—we could have a surplus in 1965 equal to that of 1964, and there could again be some 285 million pounds of Flue-cured tobacco placed under Government loan from that crop, which even allowing for some sales would mean over a billion pounds of Flue-cured tobacco held by the Government at the close of this marketing year.

Mr. HOLLAND. Mr. President, will the Senator from Kentucky yield?

Mr. COOPER. I am glad to yield.

Mr. HOLLAND. Does the Senator believe that the Flue-cured tobacco industry will produce that great a surplus, when it will have to operate with 19½ percent less acreage that it did last year, by its own vote?

Mr. COOPER. No, it may not produce that much. I do point out, though, that last year we had a cut in burley acreage of 10 percent, and we had a drought. Yet even with the drought and the 10 percent cut, 50 million more pounds were produced than used, so that the total supply reached an all-time high.

Consequently, I believe that if our growers, both Flue-cured and burley, begin to believe that we are moving toward a stronger program, we shall find this year that they will put on more fertilizer, irrigate the land, and make every effort to get the utmost out of their production. The end result will be that the excess production will go into Government stocks.

Mr. ERVIN. Mr. President, will the Senator from Kentucky yield for a question?

Mr. COOPER. I am glad to yield.

Mr. ERVIN. We did have the 10-percent cut in Flue-cured tobacco last year and it did not accomplish very much, did it?

Mr. COOPER. The Senator is correct; about 1 percent more was produced, I understand. Unless our growers of tobacco use restraint and reduce their yields—and being good farmers and good businessmen, I do not believe they are going to do that—we are going to have increased production per acre every year. Even with additional cuts in acreage, farmers will work hard to realize just as much. If acreage cuts are continually offset by higher yields, in the end the price support program will just collapse.

I remember in 1948, when I first came to the Senate, I had the opportunity to introduce, with Senator Barkley, the amendment which today gives tobacco growers the 90 percent of parity support price. The distinguished Senator from Florida [Mr. HOLLAND], who is the sponsor of the amendment now before the Senate, voted for that amendment and supported the 1948 bill. We carried it by one vote. That price support program has given our tobacco growers $1 billion more in the last 16 years than they would have received otherwise.

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

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Kentucky may speak for 2 additional minutes.

The PRESIDING OFFICER. Without objection, the Senator from Kentucky is recognized for 2 additional minutes.

Mr. COOPER. Mr. President, I felt that I should make these comments, because I have served on the price support and production adjustment subcommittee of the Senate Agriculture Committee and have heard all the testimony. I supported the amendment just offered by the distinguished Senators, from Florida and Georgia, who are also members of the committee, because their growers have had this case in the district court and the circuit court of appeals, and their claim has been sustained.

The tobacco raised in the States of Georgia and Florida is designated as a particular type of tobacco. Consequently, I do not believe that anything should be placed in the bill which would deny their producers the right to have their final hearing in court. If the courts should decide as the lower courts have decided, their case is protected anyway. I believe there is unanimous agreement on that point. But based upon all the testimony which I heard, I must say that I have come to the conclusion, particularly in the case of Flue-cured tobacco, and probably in the case of burley, that unless we mend our ways, the tobacco program could collapse and we could lose our price support program. Every tobacco grower who grows any kind of tobacco would then find himself in the worst possible shape. In the 1930's and early 1940's, we remember, tobacco was selling at 15 cents, 18 cents, and 20 cents a pound.

Let me conclude by saying that this bill would give farmers an opportunity to vote. And two-thirds of them must vote to approve the acreage-poundage program before it can become their program. Therefore, I must oppose the amendment, but have taken this opportunity to state my position in support of the bill, and I hope that it will be enacted.

Mr. President, one of my amendments contained in the committee bill is designed to protect the position of small burley growers, who have allotments of one-half acre or less, and who are now protected under the acreage program. Senator JENNINGS RANDOLPH has spoken to me about the many small growers in his State of West Virginia. He strongly supports the amendment, and asked me to express in the Senate his view that it is very important, and that it must be retained in the final bill enacted by the Congress. I am glad to do so, for I have also kept in close touch with the Senators from Tennessee and Members of the House of Representatives who wish to insist upon the provision.

Mr. President, I am glad that the Senate Committee on Agriculture and Forestry adopted my amendments, which are now part of the bill the Senate will pass today. I ask unanimous consent that my views contained in the committee report, which describes these amendments, be printed at this point in the RECORD. Also, I have requested the latest figures on tobacco from the Department of Agriculture, and so that the record will be complete ask that this information, together with a brief statement, be included also.

There being no objection, the individual views, tables, and statements were ordered to be printed in the RECORD, as follows:

INDIVIDUAL VIEWS OF SENATOR COOPER

The tobacco program has been a good farm program. It has been good for farmers—for whom it has secured fair prices. And it has operated without substantial cost to taxpayers or loss to the Government. It has done so because tobacco growers have demonstrated their willingness and ability to maintain supplies in line with demand by accepting effective production controls.

But, in recent years, yields have increased rapidly—as much as 35 percent between 1960 and 1963, or 600 pounds more burley grown per acre—requiring repeated cuts in farm acreage allotments. And during the hearings of our committee on this bill, Under Secretary of Agriculture Murphy testified that the present program would require continuing cuts as production per acre continues to climb.

This bill would give farmers a choice between the present system of acreage controls and the acreage-poundage plan developed and recommended by the Department of Agriculture. As one of my amendments makes clear, unless two-thirds of the growers of a kind of tobacco vote in a special referendum for acreage-poundage, the existing acreage allotment and price-support program will remain in full effect.

Tobacco is the chief cash farm crop of Kentucky. The State ranks second in tobacco production only to North Carolina. It is the principal source of burley tobacco, which together with Dark Air-cured and Dark Fired, accounts for some $300 million of Kentucky's annual farm income. More than 300,000 farm families—140,000 of them in Kentucky—depend for their livelihood largely or in part upon their burley tobacco allotments. While this bill would apply immediately to Flue-cured tobacco, it also authorizes an acreage-poundage referendum next year or later for burley and other types of tobacco.

My purpose is to insure that any program presented to tobacco farmers protects the existing price-support program, and that full information will be provided to burley and dark leaf tobacco growers before an acreage-poundage referendum is held. For this reason I offered several amendments to the House bill. All were adopted by the Senate Committee on Agriculture, and I trust will be maintained in whatever acreage-poundage plan may be enacted by the Congress.

The committee amendments are described briefly in the Senate report. They are the amendments which I offered in committee, with the exception of the technical amendments for Flue-cured, 2 and 11, and amendment No. 4, which applies to all kinds of tobacco. I concurred in this amendment, offered by Senator JORDAN. It is a very important amendment because it provides a more equitable method of allotting the national poundage quota among growers than does the House bill.

I am also glad that the House adopted the amendment of Congressman STUBBLEFIELD, of Kentucky, requiring field hearings by the Department of Agriculture to secure the views of growers before holding a referendum on acreage-poundage for any type of tobacco except Flue-cured.

Amendment No. 1 applies to all types of tobacco. Its purpose is to maintain the reserve supply level established in present law, which assures adequate stocks of tobacco—2.8 years' use in the case of burley. The amendment is also designed to prevent too drastic cuts in growers' poundage quotas, for the purpose of working off existing Government-loan stocks.

Amendment No. 12 permits burley growers to market up to 20 percent over their poundage quota—if they wish to do so by taking a corresponding reduction in their next year's acreage allotment and poundage quota. Unlike Flue-cured tobacco which is "primed" by pulling leaves from the stalk as they ripen in the field over a period of several weeks, the entire stalk of burley is cut, hung in the barn, cured, and then stripped and taken to market. Some years, depending on weather, it would be difficult for burley growers to hit their poundage goal precisely. There is a market, and an export market, for a wide variety of burley grades from the entire stalk. If good tobacco, ready for market, is not to be needlessly destroyed, this degree of flexibility is needed in burley—and in any event, it is a decision properly left to the farmer.

Amendment No. 13 applies to farms now having burley allotments of one-half acre or less. Under present law these small allotments are protected from cuts, but the administration bill made no provision for them under acreage-poundage. Under my amendment, the initial poundage quotas for small farms would be set on the same basis as all other farms. But after this initial adjustment, the quotas for these farms could not in future years be reduced below that figure. In this connection, I point out the testimony of the Department before our committee that while 33,000 Kentucky farms have burley allotments of one-half acre or less, this 23 percent of the allotments represents only 6 percent of the tobacco acreage. Yet these are often the allotments supporting families who have a real struggle for existence.

Amendment No. 14 requires the Department of Agriculture to consult with growers, State farm organizations, and tobacco cooperatives in determining the need for and details of an acreage-poundage plan for types other than Flue-cured tobacco. Amendments 6 and 8 assure ample notice of an acreage-poundage referendum, and require that each tobacco farmer be notified of his poundage quota and acreage allotment at least 15 days before the referendum. My other amendments are technical or similar in purpose.

I will vote for the bill, which has been recommended by the President and submitted by the Secretary of Agriculture. It gives tobacco growers a choice between the present and proposed methods of controlling production under the tobacco price support program. In making this choice, my amendments are intended to inform our farmers as fully as possible about the tobacco supply situation, its effect upon the tobacco price support program, and the details of the acreage-poundage proposal.

The tobacco price support program must not be allowed to collapse under the weight of an unmanageable surplus. Deeper cuts in acreage allotments year after year would be intolerable, and are not a fair solution to the problem of increasing farm yields.

I believe that all of us—tobacco growers, Members of Congress from the tobacco-growing States, and all those who work with tobacco—must join together to secure the best means to protect and continue the price support program, without which the tobacco grower would suffer great loss. We have worked hard throughout the years to protect our tobacco program and make it successful. We must continue to do so.

JOHN SHERMAN COOPER.

TABLE I

	1962	1963	1964
	Production, value, and number of allotments (by crop years) for U.S. tobacco production		
U.S. tobacco production (pounds)	2,314,751,000	2,343,230,000	2,229,972,000
Value received by farmers	$1,363,808,000	$1,351,842,000	$1,306,764,000
Number of allotments	572,462	570,156	565,692
	Production, value, and number of allotments for U.S. burley tobacco production		
U.S. burley production (pounds)	674,854,000	755,146,000	631,462,000
Value received by farmers	$395,448,000	$446,706,000	$380,772,000
Number of allotments	301,142	299,843	298,633
	Production, value, and number of allotments for Kentucky tobacco production		
Kentucky tobacco production (pounds)	493,515,000	563,384,000	463,772,000
Value received by farmers	$278,310,000	$326,540,000	$272,052,000
Number of allotments	173,457	172,327	171,453

TABLE II.—*Tobacco: Acreage, yield, production, disappearance, price and crop value, United States, for specified years (farm-sales weight)*

Crop year	Acreage	Yield	Production	Disappearance [1]			Average price per pound	Value of crop
				Total	Domestic	Exports		
	Thousand acres	*Pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Cents*	*Million dollars*
Average:								
1925–29	1,756	773	1,356	1,387	787	600	18.7	253
1935–39	1,647	883	1,460	1,358	900	458	19.5	278
1945	1,821	1,094	1,991	1,928	1,334	594	42.6	848
1946	1,961	1,181	2,315	2,012	1,355	657	45.1	1,044
1947	1,852	1,138	2,107	1,850	1,413	437	43.6	918
1948	1,554	1,274	1,980	1,922	1,417	505	48.2	955
1949	1,623	1,213	1,969	1,951	1,420	531	45.9	905
1950	1,599	1,269	2,030	1,975	1,452	523	51.7	1,049
1951	1,780	1,310	2,332	2,072	1,488	584	51.1	1,191
1952	1,772	1,273	2,256	2,055	1,557	498	49.9	1,125
1953	1,633	1,261	2,059	1,995	1,480	515	52.3	1,076
1954	1,668	1,346	2,243	1,935	1,419	516	51.1	1,147
1955	1,495	1,466	2,193	2,058	1,410	648	53.2	1,166
1956	1,364	1,596	2,176	1,929	1,373	556	53.7	1,169
1957	1,122	1,486	1,668	1,921	1,393	528	56.1	936
1958	1,078	1,611	1,737	1,923	1,388	535	59.9	1,040
1959	1,153	1,558	1,796	1,928	1,425	503	58.3	1,048
1960	1,142	1,703	1,944	2,030	1,463	567	60.9	1,186
1961	1,174	1,755	2,061	2,051	1,461	590	63.8	1,315
1962	1,224	1,891	2,315	2,002	1,472	530	58.9	1,364
1963 [2]	1,175	1,993	2,343	2,056	1,447	609	57.7	1,352
1964 [2]	1,080	2,066	2,230				58.6	1,307

[1] For Flue-cured and Cigar-wrapper, year beginning July 1; for other types, Oct. 1.
[2] Preliminary.

Source: Tobacco Situations, December 1963 and December 1964, ERS, USDA.

TABLE III.—*Quantity and amount of investment in outstanding loans on tobacco by Commodity Credit Corporation on Jan. 31, 1965*

Kinds of tobacco	Quantity, redried and packed weight [1]	Amount of investment [2]	Kinds of tobacco	Quantity, redried and packed weight [1]	Amount of investment [2]
	Million pounds	*Million dollars*		*Million pounds*	*Million dollars*
Flue-cured	819	606	Other kinds [3]	27	14
Burley	306	214	Total tobacco [4]	1,210	864
Kentucky-Tennessee Fire-cured	38	20			
Kentucky-Tennessee Dark air-cured	20	10			

[1] The farm-sales weight equivalents of the tobacco under loan on Jan. 31, 1965, are estimated in million pounds as follows: Flue-cured, 952; burley, 344; Kentucky-Tennessee Fire-cured, 42; Kentucky-Tennessee Dark air-cured, 23; other kinds, 29; and total tobacco 1,390.

[2] The amount of investment shown in CCC accounts represents the unpaid principal balance of the loans to cooperative associations to implement price-support operations at the grower level. The actual value of the tobacco pledged as collateral for these loans based on the prices at which it is available to the trade exceeds the CCC investment by a sizable margin.

[3] Includes Virginia Fire-cured, Connecticut-Massachusetts Cigar-binder, Wisconsin-Ohio Cigar-binder and Cigar-filler, and Maryland tobaccos.

[4] Total differs slightly from summation of kinds due to rounding.

TABLE IV.—*Value of tobacco exports (sales for dollars and for local currencies, by years)*

Calendar year	Value of all tobacco exports	Value of tobacco exports, title I, Public Law 480	Title I sales as percent of total exports	Calendar year	Value of all tobacco exports	Value of tobacco exports, title I, Public Law 480	Title I sales as percent of total exports
	Millions	*Millions*	*Percent*		*Millions*	*Millions*	*Percent*
1955	$418.8	$31.3	7.5	1960	476.8	22.0	4.6
1956	399.3	48.5	12.1	1961	499.0	20.4	4.1
1957	432.7	26.6	6.1	1962	491.0	22.2	4.5
1958	439.5	28.3	6.4	1963	522.4	25.1	4.8
1959	440.5	41.6	9.4	1964	544.5	22.9	4.2

Principal markets for tobacco: United Kingdom, West Germany, Japan, Netherlands, Belgium, Sweden, Switzerland, Denmark, Ireland, Australia.

Principal markets for Public Law 480 commodities: Developing countries.

TABLE V.—*Price support and related program costs, basic* [1] *and selected commodities, Oct. 17, 1933, through June 30, 1964*

Commodity	Price support	Title I, Public Law 480	Tota
Feed grains	$3,990,799,783	$785,762,898	[3] $5,292,163,840
Corn and products	(2,865,711,758)	(435,961,353)	(3,622,686,201)
Wheat and products	2,089,714,316	7,399,536,695	[4 5] 12,571,816,232
Rice	228,129,085	818,308,104	1,245,520,628
Tobacco	43,655,959	281,951,387	329,132,552
Cotton, upland	1,273,391,336	1,609,769,839	[6] 3,786,367,178
Dairy products	3,362,560,982	126,731,645	4,198,028,330
Oils and oilseeds	589,085,430	793,478,380	1,432,472,169
Peanuts	(266,410,022)	0	(266,410,022)
Total	12,658,994,789	14,728,570,734	31,871,171,416

[1] Basic commodities: Corn, wheat, rice, tobacco, cotton, peanuts.
[2] In addition to price support losses and title I, Public Law 480, costs shown, includes realized losses from price-support related programs, and cost of other programs operated under specific statutory authority for separate reimbursement.
[3] Does not include 1963 crops price-support payments, $382,409,240, and acreage diversion payments, $2,459,529,993.
[4] Includes $1,433,029,637 under International Wheat Agreement.
[5] Does not include 1963 crops price-support payments, $79,169,092, and acreage diversion payments, $448,379,518.
[6] Does not include cotton equalization program payments, $62,609,966.

Source: Commodity Credit Corporation report of financial condition and operations, June 30, 1964.

TABLE VI

Excise taxes on tobacco products, fiscal year ending June 30, 1964:

[In thousands]

Federal excise tax on tobacco products (96.3 percent from cigarettes)	$2,052,545
Total State excise tax on tobacco products (98.2 percent from cigarettes)	1,279,620
Local excise tax on tobacco products (99.2 percent from cigarettes)	58,704
Total, all tobacco products (97.1 percent from cigarettes)	3,390,869

The tobacco growers receive an average of slightly more than 3 cents for the tobacco contained in a package of cigarettes. The Federal, State, and local governments together impose cigarette taxes the weighted average of which 13.3 cents per package, or more than four times as much as the growers receive.

TABLE VII.—*1964 tobacco allotments, by States, burley, Flue, Fire, Air, Sun, Maryland, Cigar-binder, and Cigar-filler and Cigar-binder*

FLUE-CURED [1]

State	Number of allotments	Acreage allotted
Alabama	253	501.80
Florida	6,922	13,599.77
Georgia	25,889	64,930.15
North Carolina	117,102	421,045.49
South Carolina	25,252	74,132.48
Virginia	22,657	64,030.94
Total	198,075	638,240.63

BURLEY [2]

State	Number of allotments	Acreage allotted
Alabama	41	30.42
Arkansas	79	54.13
Georgia	216	91.16
Illinois	12	5.23
Indiana	9,683	7,906.30
Kansas	53	85.08
Kentucky	142,855	204,256.46
Missouri	1,651	3,192.96
North Carolina	18,156	10,585.67
Ohio	10,798	10,110.37
Pennsylvania	2	1.63
South Carolina	9	4.39
Tennessee	93,081	65,062.83
Texas	2	.46
Virginia	17,381	11,369.91
West Virginia	4,614	2,941.37
Total	298,633	315,698.37

FIRE-CURED (TYPES 22, 23, AND 24) [3]

State	Number of allotments	Acreage allotted
Illinois	1	0.04
Kentucky	9,107	13,877.27
Tennessee	8,795	15,616.84
Total	17,903	29,494.15

TABLE VII.—*1964 tobacco allotments, by States, burley, Flue, Fire, Air, Sun, Maryland, Cigar-binder, and Cigar-filler and Cigar-binder*—Continued

FIRE-CURED (TYPE 21) [4]

State	Number of allotments	Acreage allotted
Virginia	7,281	9,144.95

DARK AIR-CURED [5]

State	Number of allotments	Acreage allotted
Indiana	116	34.89
Kentucky	19,491	12,057.39
Tennessee	4,818	2,040.06
Total	24,425	14,132.34

SUN-CURED [6]

State	Number of allotments	Acreage allotted
Virginia	2,282	3,471.64

CIGAR-FILLER AND CIGAR-BINDER [7]

State	Number of allotments	Acreage allotted
Illinois	3	4.25
Indiana	2	1.27
Iowa	1	7.24
Minnesota	121	168.70
New York	71	35.06
Ohio	1,586	4,584.95
Pennsylvania	122	176.04
Wisconsin	6,185	15,346.68
Total	8,091	20,324.19

CIGAR-BINDER [8]

State	Number of allotments	Acreage allotted
Connecticut	1,294	4,492.32
Massachusetts	946	2,188.76
New York	1	.04
Vermont	1	3.35
Total	2,242	6,684.47

MARYLAND [9]

State	Number of allotments	Acreage allotted
Delaware	1	0.13
Maryland	6,667	47,275.98
Virginia	92	22.13
Total	6,760	47,298.24
Grand total	565,692	1,084,488.98

[1] Average Flue-cured allotment, 3.22 acres.
[2] Average burley allotment, 1.06 acres.
[3] Average Fire-cured allotment (types 22, 23, and 24), 1.65 acres.
[4] Average Fire-cured allotment (type 21), 1.26 acres.
[5] Average Dark Air-cured allotment, 0.58 acre.
[6] Average Sun-cured allotment, 1.52 acres.
[7] Average Cigar-filler and Cigar-binder allotment, 2.51 acres.
[8] Average Cigar-binder allotment, 2.98 acres.
[9] Average Maryland allotment, 7 acres.

NOTE.—Average size, all tobacco allotments, 1.92 acres.

DESCRIPTION OF COOPER AMENDMENTS NOT DISCUSSED IN INDIVIDUAL VIEWS

Amendments Nos. 3 and 5 provide the same 5-year base period—1959 through 1963—for other kinds of tobacco as the House bill provides for Flue-cured. It must be made clear that 1965 production will not count as history for building the poundage quota which will determine the farm income for every future year. To do so would be to require farmers to compete to produce this year the highest possible poundage. While this would stimulate surplus production, only those who managed to increase yields even more than the average would benefit, as under the formula all yields would be uniformly factored back.

Nineteen hundred and sixty-four was a drought year in much of Kentucky and other tobacco States. If this year were included, those farmers not hit by drought could use 1964 record yields. But those suffering a crop failure would have to pick up 1961 as their third best year—when yields were much lower. This would create an inequity, discriminating against those hit by drought.

Amendment No. 9 limits the farm yield for new tobacco farms to not more than the community average yield. County ASCS Committees have discretion now in determining the size of a new grower allotment, according to similar farms in the same area. The amendment would set a standard on the yields to be assigned to new farms.

Amendment No. 10 makes it clear that the bill does not grant authority for leasing burley allotments, prohibited by the Cooper Amendment now contained in section 316 of the Agricultural Adjustment Act of 1948, as amended in 1961.

ACKNOWLEDGMENT

Before this bill is passed, I think mention should be made of Mr. Frank R. Ellis, for a number of years Chief of the Price Support Branch of the Tobacco Division of the Department of Agriculture, and later executive secretary to Congressman FRANK STUBBLEFIELD, of Kentucky. Mr. Ellis is a native of Murray, Ky., and the brother of Mr. Holmes Ellis, general manager of the Western Dark Fired Tobacco Growers Association. He is now engaged in very important work as Director of the Food for Peace program in the Agency for International Development.

Ten years ago Frank Ellis worked out the essentials of the acreage-poundage plan, and represented the Department

of Agriculture in the field hearings that were held on the 1957 bill. I think all who know tobacco acknowledge his foresight and leadership, and credit is due him for laying the ground work for the program the Congress is today authorizing the Secretary of Agriculture to present to tobacco growers for their decision.

Mr. TALMADGE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendments en bloc of the Senator from Georgia [Mr. TALMADGE] and the Senator from Florida [Mr. HOLLAND].

Mr. HOLLAND. Mr. President, I call for a division.

Mr. DOUGLAS. Mr. President, can we not have a yea-and-nay vote on this amendment?

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DOUGLAS. What is the issue now before the Senate? Is it passage of the bill?

The PRESIDING OFFICER. The question is on agreeing to the amendments en bloc of the Senators from Georgia and Florida.

Mr. DOUGLAS. Can the yeas and nays be ordered?

Mr. JORDAN of North Carolina. On passage only.

The PRESIDING OFFICER. A division is called for.

On a division, the amendments were rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. JORDAN of North Carolina. Mr. President, I ask for a third reading of the bill.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on engrossment of the amendments and the third reading of the bill.

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

Mr. WILLIAMS of Delaware. Mr. President——

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. WILLIAMS of Delaware. Mr. President, the Surgeon General recently issued a report, warning the American people about the use of tobacco as being injurious to the health of the American citizen.

Another committee is currently considering a bill under which it is proposed to label cigarettes as dangerous and to emphasize to the American people that the use of tobacco is injurious to health.

The Senate here today has before it a bill which would further subsidize the production of tobacco while this other agency of Government asserts tobacco to be injurious to the health.

During the past few years, we have spent over $39 million in subsidizing the production of tobacco. The time has come when we should stop these contradictory programs. We should defeat this bill, then repeal the entire program, and stop the use of the taxpayers' money to subsidize a product which every agency of the Government states is injurious to the American citizen.

I hope that the bill will be defeated. This contradiction just does not make sense.

CLOSING OF VETERANS' ADMINISTRATION HOSPITALS

Mr. ALLOTT. Mr. President, over the weekend, the President announced the appointment of a blue ribbon committee, of which the Chairman is Barrett Prettyman, and the members are Representative OLIN TEAGUE, Representative Ross ADAIR, Gen. Alfred Gruenther, Dr. Dudley White, James Gleason, and the Senator from Louisiana [Mr. LONG].

This committee will report on the veterans hospital situation by June 1.

In the meantime, Mr. Earl Cooper, with the assistance of two persons from the General Accounting Office, have investigated many of the hospitals which are to be closed, and have accumulated a fine report containing an analysis and reasons for the closings.

I invite the attention of the Senate to the fact that the report of the so-called blue ribbon committee is not due until June 1, whereas under the terms of present law, the hospitals will be closed on May 1.

It is time for the Senate to face this dilemma and solve it. I have an idea that the Senate will do so in the next few days. In the meantime, I ask unanimous consent to have printed in the RECORD the report to which I have referred.

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

VETERANS' ADMINISTRATION HOSPITAL, GRAND JUNCTION, COLO.

REASONS FOR CLOSING	ANALYSIS OF REASONS FOR CLOSING
The Grand Junction VA Hospital is a small high-cost hospital.	*Size* This hospital is the fifth smallest hospital in the VA system and has a capacity of 152 beds. *Cost of operation* As to per diem costs (costs per patient per day) Grand Junction costs for fiscal year 1964 were $34.07 per patient per day. This is $5.69 higher than the national average of $28.38. Thirteen of the 129 G.M. & S. hospitals show higher per diem costs. The nearest hospitals (which are designated to absorb the Grand Junction patient load) show costs as follows: Denver $31.80, with 528 beds, Salt Lake City $30.25, with 532 beds.

VETERANS' ADMINISTRATION HOSPITAL, GRAND JUNCTION, COLO.—Continued

REASONS FOR CLOSING
This hospital does not meet VA's needs for future care of veterans.
This hospital is isolated from the standpoint of veteran population.
This hospital is isolated from the standpoint of scientific stimuli.
Its 9 physicians, 1 dentist, and 24 nurses (out of a total employment of about 170) have been operating a hospital at less than optimum capacity.
Its 9 physicians, 1 dentist, and 24 nurses have been unable to develop the type of medical atmosphere which the VA should have.
Although this hospital has a nominal affiliation it currently has no residents and no training programs.
This percentage is rated to the number of "operating beds" which is a budgetary quanity and is not necessarily related to the capacity. For example, at Grand Junction for fiscal year 1965 the actual capacity is 152 beds but the "operating bed" level for computing bed occupancy rates is 136 beds.
This hospital cannot justify the expenditures of research funds.
The occupancy rate is low. The cumulative rate for fiscal year 1964 was 76 percent but for some parts of the year it was as low as 58 percent. The VA cannot justify continuance of this type of high-cost operation.

VETERANS' ADMINISTRATION HOSPITAL, GRAND JUNCTION, COLO.—Continued

ANALYSIS OF REASONS FOR CLOSING

Cost of operation

The cost per patient treated at Grand Junction for fiscal year 1964 was $850. Of the 129 G.M. & S. hospitals in the VA system 70 had higher costs per patient treated. The average cost per patient treated was $925 for all VA G.M. & S. hospitals.

This hospital is not located adjacent to a medical school and thus is unable, according to VA, to offer the broad spectrum of medical specialties that could be offered at a hospital affiliated with and adjacent to a medical school. This broad spectrum of medical specialties seem to be the VA goal for the future, according to Dr. Joseph H. McNinch, Chief, VA Medical Director.

The attached brochure prepared by the Veterans of Foreign Wars shows how isolated this hospital is from the veteran population and some of the travel hardships involved. (See p. 119.)

This hospital is located 258 miles from Denver and 290 miles from Salt Lake City where the closest medical schools are located According to Dr. L. A. Zink, Associate Deputy Chief Medical Director of VA, the proper scientific stimuli can only be found in a close affiliation with a medical school at a hospital located adjacent to the school.

The hospital has been operating at less than what VA considers to be the optimum. VA considers that a bed occupancy rate of 85 to 92 percent provides the best possible patient care. Grand Junction has had the following occupancy rates: Fiscal year 1960, 78.9 percent; 1961, 77.6 percent; 1962, 75 percent; 1963, 63.8 percent; 1964, 75.9 percent; and the first half of fiscal year 1965, 75 percent.

The ambiguity of the term "medical atmosphere" makes analysis of this justification difficult, if not impossible.

Apparently VA is referring to the location of the hospital, some distance from a medical school, because without a close affiliation program. VA contends a topflight medical atmosphere does not exist.

At present there are two physicians in the "preceptorship" or "advanced residency program" at the hospital. This program has been operated with two residents on duty for several years. At the end of the 2-year program the "preceptors" have sufficient experience and enough cases to meet the requirements of the American Board of Surgery. The Deans Committee of the University of Colorado Medical School supervises the program. This affiliation has provided staff doctors without hardly any recruiting effort and has on occasion resulted in a waiting list for the positions which will become open.

In fiscal year 1964, the Grand Junction hospital had two research projects with a total cost allowance of $3,020; a study of erythropoiesis in emphysema; and the relationship of high altitude to hiatus hernia.

According to the director of the Grand Junction hospital, research funds were turned down last year because the staff was unable to undertake additional research. He explained that the staff workload was too high and the interest could not be generated.

It is true that the average daily patient bed occupancy rate for fiscal year 1964 was 75.9 percent. The average daily patient load occupying beds at the hospital for the past few years has somewhat declined as follows: 1960, 120; 1961, 118; 1962, 114; 1963, 97; 1964, 110; and the first half of fiscal year 1965, 102.

During the peak month each year the average daily patient load was as follows: 1960,

VETERANS' ADMINISTRATION HOSPITAL, GRAND JUNCTION, COLO.—Continued

REASONS FOR CLOSING

The service area for Grand Junction is spread over a large portion of western Colorado and eastern Utah.

The Grand Junction patient load can be handled at Salt Lake and Denver. Currently Salt Lake City is operating below capacity.

The hospital was selected for closing because it is located between two professionally comprehensive and well-staffed VA medical programs located in Denver and Salt Lake City.

Transporting emergency cases by the use of ambulance plane makes these two broadly based programs accessible to the veterans who now reside in the Grand Junction service area.

According to representatives of veterans' organizations in Colorado, the ambulance plane, which must fly at a high altitude over the range of mountains between Grand Junction and Denver, is not pressurized. Such a plane might cause considerable discomfort to the emergency cases being transported and under certain circumstances patients may not be allowed to travel in a nonpressurized plane over the mountain ranges.

The waiting list has been consistently below the national average.

It is the VA's judgment that the VA hospitals at Denver and Salt Lake City offer higher caliber services covering the major specialties and have sufficient capacity to provide these services to veterans now residing in the Grand Junction area.

ANALYSIS OF REASONS FOR CLOSING

Cost of operation

February, 138; 1961, February, 138; 1962, January, 135; 1963, January, 118; 1964, February, 123.

The actual capacity of the hospital is 152 beds but because of the decrease in patient demand the number of beds kept in operation was reduced in fiscal year 1964 to 145 and in fiscal year 1965 to 136 beds.

The number of patients treated at the hospital each fiscal year has somewhat declined as follows: 1960, 1,870 patients treated; 1961, 1,706; 1962, 1,532; 1963, 1,554; 1964, 1,615; and for the first half of fiscal year 1965, 811. The hospital anticipated that for fiscal year 1965 they would have treated 1,682 patients if the operations would have continued normally.

This statement is true and is a good reason to keep the hospital open rather than being a reason to close the hospital. Because of the large area served the veterans travel is burdensome (as is explained in another portion of this analysis) and to close the hospital and require the veterans to travel further, to Denver and Salt Lake City, would be more burdensome.

An analysis of patient demand at the Grand Junction, Salt Lake City, and Denver VA Hospitals for the "peak" months, January, February, and March of 1964 shows that, with Salt Lake City operating at capacity (628 beds), the patient load at Grand Junction could have been absorbed by the two "receiving hospitals" on 90 of 91 days.

The Grand Junction hospital is located 258 miles from Denver and 290 miles from Salt Lake City. VA hospitals located in those cities are affiliated and offer the "broad spectrum" of care which VA contends is necessary to provide the best medical care to veterans.

Although this hospital is of post-World War II construction, it is small and has insufficient veteran population density to support the specialized skills that are found in its neighboring hospitals.

The hospital was opened in May 1949. With 136 beds it serves an area with a 1963 veteran population of 27,010 or 5.04 beds per thousand veterans compared wtih a national average of 2.9 G.M. & S. beds per 1,000 veterans and Denver's 2.3 G.M. & S. beds per 1,000 veterans. During the years from fiscal year 1960 to 1964 the occupancy of the hospital ranged from a low of 63.8 percent in 1963 to a high of 78.9 percent in 1960 compared with VA's optimum desired occupancy rate of 85 to 92 percent.

While the Grand Junction waiting list was below the national average, it was higher than the "receiving" hospitals at Denver and Salt Lake City:

Waiting list per 100 operating beds:

National average	11.8
Grand Junction	6.9
Salt Lake City	6.2
Denver	2.6

Thus the low waiting list appears to prevail in the entire area, rather than applying to Grand Junction alone.

An analysis of patient loads at the three hospitals (Grand Junction, Denver, and Salt Lake City) shows that the "receiving hospitals" could have easily absorbed the Grand Junction patient load during the peak months of 1964, provided unused beds are activated at Salt Lake City.

At hospitals such as Salt Lake City and Denver, having close affiliation with medical schools, the VA believes it can offer a "broad spectrum" of medical specialties, thereby providing better care to the veterans treated than is possible in isolated hospitals such as Grand Junction.

Physical condition of buildings and equipment, as of Feb. 23, 1965

PER INSPECTION BY CHIEF ENGINEER

Building or equipment	Condition	Recommendations
Building No. 1:		
Roofs	Good	Requires pointing of riglets and flashings annually, good physical inspection.
Exterior	do	Window sash and screens could stand painting or placing in A-1 condition.
Interior walls and partitions	do	Washing, cleaning, and painting; doors need refinishing.
Floors	do	None.
Floor covering	Fair	Many areas showing wear, replacements will be needed within 2d or 3d years.
Substructures	Good	Sump pump in service room should be kept in operation to avoid water seepage into room which would be approximately 2 or 3 feet deep in short period of time.
Building service equipment:		
Ventilating systems: Includes exhaust systems, kitchen hoods, dishwater, etc.	do	Cleaned, fiscal year 1965.
Air conditioner-humidifier, surgery	Fair	Mechanical parts all good, except spray pump needs replacing. Refrigerating units, coils and fan replaced, fiscal year 1964.
Communication system:		
Nurses call system	Good	Was planned to replace with audiovisual, fiscal year 1965.
Radio system	Fair	Console needs new tuners and turntables, entire system needs rewiring.
Electric wiring and fixtures	Good	No recommendations.
Elevators	do	Commutators of MG sets should be turned down; this was planned for fiscal year 1965, 3d quarter (canceled).
Dumbwaiters	do	No recommendations.
Fire alarm system	do	Batteries should be replaced for standby power to alarm circuit.
Gas distribution	do	Covers only laboratory, pharmacy and dental clinic, butane system only.
Heating system	do	All controls should be checked by Johnson representative next year; all traps should be checked yearly.
Plumbing system	do	No recommendations.
Refrigeration system	Fair	Ammonia system should be planned for replacement with freon.
Fire sprinkler system	Good	No recommendations.
Air compressors	do	Do.
Vacuum pump	Fair	Do.
Water coolers	Good	Water cooled by ammonia system should be changed to freon.
Portable air conditioners	do	No recommendations.
Emergency generators	do	Do.
100 kilowatt	do	Do.
10 kilowatt	do	Do.
Hot water storage tanks	do	Do.
Controls and coils	Fair	Coils and controls should be planned for replacement.
Sump pump	do	It is important that this pump be operative at all times to remove seepage water from service room.
Sidewalk heating unit	Good	Needs regular checking during operating season, and proper care when shutting down in summer season.
Steam distribution system	do	Steam reducing stations need annual check. New PRV valve for main station available. Not installed.
Building No. 2:		
Directors quarters	do	Building repainted completely, interior 1964. Basement should be watched for seepage water. Exterior should be painted.
Building service equipment	do	
Building No. 3: 4-unit apartment	do	All apartments need repainting. Apartments B, C, and D need garbage disposals replaced. Sump pump needs to be in operation to keep seepage water out. Exterior should be painted.
Building No. 4: 5-car personnel garage	do	Overhead doors and tracks need adjusting for better operation.
Building No. 5: Nonhousekeeping quarters	do	Rooms need painting, sump pit needs concrete lining, sump pit and pump should operate continuously to keep seepage water out. Also necessary to keep opening clear under footer.
Building No. 6: Nonhousekeeping quarters—closed, used for storage	Fair	Needs cleaning and painting, some plastering, basement needs repairing, loose tile—shower and toilet room. Drain needs to be kept open under footer to relieve seepage water pressure.
Building No. 7: Warehouse	Good	None.
Building No. 8: Garage and shop	do	Cleaning and painting interior.
Building No. 9:		
Boiler plant	do	Painting interior and exterior.
Boilerhouse equipment:		
Boiler	Fair	Arches need replacement; sidewall of fireboxes replaced, 1964.
Stokers	Good	Need yearly maintenance to keep in A 1 condition.
Coal conveyor	Fair	Augers should be planned for replacement.
Blowoff system	Good	None.
Forced draft blowers	do	None, routine maintenance.
Water control valve	do	Do.
Water columns	do	Do.
Soot blowers	do	Do.
Automatic damper control	do	Do.
Main header valves	do	Need refacing on yearly basis.
Mechanical fly ash removal system	do	(1) Another I.D. fan should be installed as standby as no steam can be produced if present fan is out of service. (2) Conversion of coal-fired system to natural gas would eliminate possible trouble from fly ash system and ash disposal.
Feed water pump, vacuum pumps, and condensate pumps	do	Should remain in good condition with required maintenance.
Deaerator feed water	Fair	Coils need checking and cleaning.
Booster pumps for elevated water tank	Good	None.
Coal silo and elevator	do	Drain at floor level or sump pump needed in elevator pit.
Steam reducing valves	Fair	2 have been replaced, remainder working satisfactorily at present, should be checked for replacement planning.
50-kilowatt emergency generator	do	None.
Structure No. 10: Chimney	Good	Continued inspection by Custodious Co.; surface needs painting for looks only.
Structure No. 11: Elevated water tower	do	Painting of interior should be planned for fiscal year 1967.
Building No. 12: Utility shops	do	None.
Building No. 13: Laundry	do	Sump pump needs to continue operation for removal of seepage water.
Building No. 14: Incinerator	do	Incinerator needs relining.
Structure No. 15: Flagpole	do	Should be painted yearly.
Structure No. 16: Coal silo—covered with building No. 9.		
Building No. 17: Storage shed	Fair	Built for lumber storage.
Building No. 18: Carport	Good	Should have steel beams to eliminate center posts supporting center beam.
Building No. 19: Butler Bldg. housing 100-kilowatt emergency generator.	do	None.
T1A-1B: Duplex, housekeeping quarters	Fair	These quarters require more maintenance due to type of construction. All units should have water heaters replaced.
T2A-2B: Duplex, housekeeping quarters	do	Do.
T3A-3B: Duplex, housekeeping quarters	do	Do.
Roads	Good	Should be checked and cracks sealed.
Parking areas	Fair	Should be resealed, and utility area needs 1-inch mat laid on top of present surface.
Walks	Good	None.
Curbs	Fair	Few areas need to be raised.
Grounds: Lawns, trees, shrubbery	Good	Remain in good condition with proper fertilizing, pruning, trimming, watering, etc.
Fences	Fair	Areas enclosed with chain link fence good; pole fence in front of station should be planned for replacement. Approximately 300 feet of chain link fence needed to complete fencing of south boundary.
Water distribution: Main system	Good	None.
Lawn sprinkling	Poor	System has been added to with pipe available for use; an entire new system should be planned; a system with automatic heads to eliminate the use of hoses should be planned.

Physical condition of buildings and equipment, as of Feb. 23, 1965—Continued

PER INSPECTION BY CHIEF ENGINEER—Continued

Building or equipment	Condition	Recommendations
Fire hydrants	Good	None.
Sanitary sewers	do	Do.
Storm sewers	do	Catch basins and lines should be flushed regularly.
Steam distribution	do	None.
Electric distribution	do	Do.

ACREAGE-POUNDAGE MARKETING QUOTAS FOR TOBACCO

The Senate resumed the consideration of the bill (H.R. 5721) to amend the Agricultural Adjustment Act of 1938, as amended, to provide for acreage-poundage marketing quotas for tobacco, to amend the tobacco price-support provisions of the Agricultural Act of 1949, as amended, and for other purposes.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Connecticut [Mr. DODD], the Senator from Louisiana [Mr. ELLENDER], the Senator from Tennessee [Mr. GORE], the Senator from Alaska [Mr. GRUENING], the Senator from Indiana [Mr. HARTKE], the Senator from Alabama [Mr. HILL], the Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senator from Rhode Island [Mr. PASTORE], the Senator from Florida [Mr. SMATHERS], the Senator from Mississippi [Mr. STENNIS], and the Senator from Texas [Mr. YARBOROUGH], are absent on official business.

I also announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from South Carolina [Mr. JOHNSTON], the Senator from South Dakota [Mr. MCGOVERN], the Senator from New Hampshire, [Mr. MCINTYRE], the Senator from Wisconsin [Mr. NELSON], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Georgia [Mr. RUSSELL], the Senator from Alabama [Mr. SPARKMAN], and the Senator from New Jersey [Mr. WILLIAMS], are necessarily absent.

I further announce that, if present and voting, the Senator from North Dakota [Mr. BURDICK], the Senator from Connecticut [Mr. DODD], the Senator from Tennessee [Mr. GORE], the Senator from Alaska [Mr. GRUENING], the Senator from Indiana [Mr. HARTKE], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Rhode Island [Mr. PASTORE], and the Senator from New Jersey [Mr. WILLIAMS] would each vote "yea."

On this vote, the Senator from Louisiana [Mr. ELLENDER] is paired with the Senator from Florida [Mr. SMATHERS].

If present and voting, the Senator from Louisiana would vote "yea" and the Senator from Florida would vote "nay."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Delaware [Mr. BOGGS], the Senator from New York [Mr. JAVITS] and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

The Senator from Kansas [Mr. PEARSON] is absent on official business.

The Senator from California [Mr. MURPHY], the Senator from Kansas [Mr. CARLSON] and the Senator from Iowa [Mr. HICKENLOOPER] are detained on official business.

If present and voting, the Senator from Massachusetts [Mr. SALTONSTALL] would vote "yea."

On this vote, the Senator from California [Mr. MURPHY] is paired with the Senator from Utah [Mr. BENNETT]. If present and voting, the Senator from California would vote "yea" and the Senator from Utah would vote "nay."

On this vote, the Senator from Kansas [Mr. PEARSON] is paired with the Senator from Delaware [Mr. BOGGS]. If present and voting, the Senator from Kansas would vote "yea" and the Senator from Delaware would vote "nay."

The result was announced—yeas 54, nays 16, as follows:

[No. 43 Leg.]

YEAS—54

Aiken	Fulbright	Monroney
Anderson	Harris	Montoya
Bartlett	Hart	Morton
Bass	Hayden	Moss
Bayh	Inouye	Mundt
Bible	Jackson	Muskie
Brewster	Jordan, N.C.	Prouty
Byrd, Va.	Kennedy, Mass.	Proxmire
Byrd, W. Va.	Kennedy, N.Y.	Randolph
Cannon	Kuchel	Robertson
Case	Long, Mo.	Scott
Church	Mansfield	Smith
Clark	McCarthy	Symington
Cooper	McClellan	Thurmond
Dirksen	McGee	Tower
Douglas	McNamara	Tydings
Ervin	Metcalf	Young, N. Dak.
Fannin	Mondale	Young, Ohio

NAYS—16

Allott	Hruska	Ribicoff
Cotton	Jordan, Idaho	Simpson
Curtis	Lausche	Talmadge
Dominick	Miller	Williams, Del.
Fong	Morse	
Holland	Pell	

NOT VOTING—30

Bennett	Hickenlooper	Neuberger
Boggs	Hill	Pastore
Burdick	Javits	Pearson
Carlson	Johnston	Russell
Dodd	Long, La.	Saltonstall
Eastland	Magnuson	Smathers
Ellender	McGovern	Sparkman
Gore	McIntyre	Stennis
Gruening	Murphy	Williams, N.J.
Hartke	Nelson	Yarborough

So the bill (H.R. 5721) was passed.

Mr. JORDAN of North Carolina. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MILITARY PROCUREMENT AUTHORIZATION

Mr. MANSFIELD. Mr. President, I move that the Senate turn to the consideration of Calendar 134, Senate bill 800, and that it be laid down and made the unfinished business.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 800) to authorize appropriations during the fiscal year 1966 for the procurement of aircraft, missiles, and naval vessels, and research, development, tests, and evaluation for the Armed Forces, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services with amendments.

ORDER FOR ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business, it stand in adjournment until 12 o'clock noon tomorrow.

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

THE OTEPKA CASE AND ITS SEQUEL

Mr. MILLER. Mr. President, in the April 4 issue of the Des Moines Register appears an article by Clark Mollenhoff, highly regarded reporter of the Register's Washington Bureau, relating a most unfortunate development in the State Department's bizarre handling of the case of Otto Otepka.

It will be recalled that Mr. Otepka headed the evaluators in the Security Division of the State Department at one time and was the recipient of awards for outstanding service to the Government. When he was called to testify before the Senate Internal Security Subcommittee regarding lax practices which had come to light in the Department's security clearance program, he offered evidence which made it clear that false testimony had been given the committee by certain high State Department officials. Notwithstanding this false testimony, one of the three officials concerned is still on the payroll at the State Department; the other two were permitted to resign, thus protecting all of their retirement rights, and one of these has since been added to the legal staff of the Federal Communications Commission. On page 96, volume 110, part 1, of the CONGRESSIONAL RECORD,

will be found excerpts from the Senate Internal Security Subcommittee's previously classified hearing reports on this matter which I included in my remarks before the Senate.

Charges were made against Mr. Otepka by one of these officials. Even though his false testimony before the Senate Internal Security Subcommittee has been made clear, these charges have not been withdrawn. Mr. Otepka's reward for long and faithful service to the Government and for integrity before the Congress has been reassignment to paper-shuffling duties in the Department while a case for discharging him from the Department has dragged on.

Last October 31, the Senate Internal Security Subcommittee wrote a letter to the Secretary of State, expressing its confidence in Mr. Otepka's "integrity, capability, and professional skill," asserting the right of a committee of the Senate to have testimony of any official or employee of the Government respecting any question of security or possible wrongdoing in any department or agency, if the subject matter of the committee's inquiry falls within its jurisdiction, declaring that a Government employee who comes before a Senate committee and testifies truthfully should not thereafter be penalized or disciplined in any way for doing so, and pointing out that Mr. Otepka's testimony has been "a valuable contribution to the Internal Security Subcommittee's current investigation of security in the State Department."

The subcommittee renewed its expression of confidence in Mr. Otepka on March 11 of this year. Still the charges against Mr. Otepka have not been dropped.

Now it is revealed in the Des Moines Register article that retaliation is being taken against some of Mr. Otepka's associates in the security division. In March 1964 six of his associates were transferred out of the security division into the Bureau of Inter-American Affairs for work which they were told was on a supersecret project. At the time, these men did not wish to be transferred and they contended that the transfer was a disciplinary move to get them out of the security business because they had agreed to give testimony in behalf of Mr. Otepka. It now appears that the supersecret work to be done in the Bureau of Inter-American Affairs was not very important at all, and two of these men are being transferred out of there to positions in El Paso and Denver where they may find their jobs eventually abolished with no protection to their rights as security investigators. They regard these moves as demotions, and they have taken action to appeal the transfers through civil service procedure. As of last Friday their salaries were cut off in a move to force them, through economic necessity, to accept these transfers.

One of these men, John R. Norpel, served in the Federal Bureau of Investigation in highly sensitive positions for 10 years before going to work for the State Department. Howard Shea, the other security officer, also has a fine record of service. Their only offense, it seems, is that they have had the courage to stand by Otto Otepka, because they know of Mr. Otepka's faithfulness to our country's security and they also know of the lax practices which occurred in the State Department clearance procedures.

Here is an instance of a "public be damned" attitude on the part of those in control of the State Department. It makes no difference how loyal these employees have been. It makes no difference that they have been right and some of the higher-ups who tried to get Otto Otepka were proved to be perjurers. It makes no difference that lax practices in security were found out and that the Congress was given truthful testimony about such practices. All that seems to matter is that Otto Otepka and his loyal associates shall be made to pay the price for stepping on sensitive toes of certain officials in the State Department who had no business having sensitive toes.

I hope the Civil Service Commission will look into these cases, and I hope the appropriate committees of the House and Senate will make sure that the civil service rights of these loyal employees are protected.

It is no doubt true that certain people in the State Department should be transferred out of Washington, but the one's who have made these unfortunate decisions are the ones who should be transferred—not those they have selected for punishment to satisfy their false sense of departmental authority.

I ask unanimous consent that the article appearing in the Des Moines Register of April 4, to which I have referred, be printed in the RECORD at this point.

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

CUT OFF PAY OF TWO OTEPKA FRIENDS

(By Clark Mollenhoff)

WASHINGTON, D.C.—The State Department has cut off the salaries of two security officers who supported chief security evaluator, Otto F. Otepka, and opposed what they call "disciplinary transfers" out of the Washington area.

John R. Norpel, 39-year-old former FBI agent, said Saturday that the State Department is engaging in "economic retaliation" because of his efforts to fight a transfer that can "destroy" his civil service job rights.

NEW POSTS

Norpel and Howard Shea, also a security officer who agreed to testify for Otepka, were notified in February that they were being assigned to posts in El Paso, Tex., and Denver, Colo.

Both filed objections on grounds that the new jobs represented demotions, and also because it appeared that the new posts might be discontinued at any time.

Neither Norpel nor Shea has been able to obtain any more than curt replies from the State Department personnel office or from William J. Crockett, the Deputy Under Secretary of State who is in charge of administration. Crockett has been a key figure in efforts to oust Otepka.

Otepka gave testimony before a Senate committee that was critical of his superiors, then produced three documents to prove he had told the truth and his superiors had not, on a security matter.

Norpel and Shea wanted specific assurance that the new jobs would not be abolished within a few months after they had been assigned to them. They also wanted to know why they were being removed from positions in the Bureau of Inter-American Affairs, to which they were assigned only a year ago with assurances that this assignment required their expertise as investigators and security evaluators.

SIX-WEEK EFFORT

For 6 weeks, they have tried unsuccessfully to obtain written explanations of the reasons for the transfers, which were to be effective April 1. Instead of explanations, they have received notes indicating they have received all the information they will receive, and that the transfer decisions would not be changed.

Norpel wrote to Secretary of State Dean Rusk last week to appeal to him to examine the transfer decisions, but no reply had been received from Rusk when Norpel and Shea were informed they have been cut from the State Department payroll and must not visit the offices they occupied in the Bureau of Inter-American Affairs.

The notice, from G. Marvin Gentile, Deputy Assistant Secretary for Security, stated that Norpel and Shea are to be considered absent without leave from their Government jobs until they report to the posts in El Paso and Denver.

Norpel, who has a GS-13 civil service rating, received a salary of $13,750 a year. Shea, with a GS-12 rating, received a salary of $13,000 a year.

The letter of explanation from Crockett to Norpel stated that the assignment was made because of "the critical need for trained investigators in our field offices at this time."

GOOD OF SERVICE

"Your previous background as an investigator, and your present availability for reassignment had led to my decision that your reassignment to El Paso is for the good of the service."

Crockett stated that the position to which Norpel is being assigned "is a bona fide one."

Norpel in his correspondence has pointed out that only a year ago Crockett shifted him and five other men who supported Otepka from the security division, and at that time assured them that it was because of the great need for their services in a special secret project in the Bureau of Inter-American Affairs.

Norpel said Saturday that the assignment to the Bureau of Inter-American Affairs was "a farce," and that it appears that the assignment to El Paso is "merely to get me out of the way."

There have been assurances that Norpel will be permitted to return to Washington to testify on behalf of Otepka when his ouster hearing comes up in May. However, the transfer of Norpel and Shea would remove them from daily contact with Otepka.

SPECIAL PROJECTS

When he transferred to the State Department security division in 1961, Norpel started working on a special project that involved restudy of a number of security cases of some high-level State Department career officers.

The work of Otepka, Norpel, and others on these special projects resulted in spotlighting laxity in the security procedures at the State Department followed by the highly critical investigation of State by the Senate Internal Security Subcommittee.

ADJOURNMENT

Mr. MILLER. Mr. President, I move that the Senate adjourn, under the previous order, until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 12 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Tuesday, April 6, 1965, at 12 o'clock meridian.

NOMINATIONS

The executive nominations received by the Senate April 5, 1965:

COMMUNICATIONS SATELLITE CORP.

Frederic G. Donner, of New York, to be a member of the Board of Directors of the Communications Satellite Corp. until the date of the annual meeting of the corporation in 1968. (Reappointment.)

THE JUDICIARY

Don J. Young, of Ohio, to be U.S. district judge for the northern district of Ohio, vice Frank L. Kloeb, retired.

Newell A. George, of Kansas, to be U.S. attorney for the district of Kansas for the term of 4 years. He is now serving in this office under an appointment which expires March 28, 1965.

Ernest W. Rivers, of Kentucky, to be U.S. attorney for the western district of Kentucky for the term of 4 years, vice William E. Scent, resigned.

Joseph P. Hoey, of New York, to be U.S. attorney for the eastern district of New York for the term of 4 years. He is now serving in this office under an appointment which expires April 13, 1965.

W. Arthur Garrity, Jr., of Massachusetts, to be U.S. attorney for the district of Massachusetts, for the term of 4 years. He is now serving in this office under an appointment which expires April 12, 1965.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 5, 1965:

FARM CREDIT ADMINISTRATION

R. Watkins Greene, of Louisiana, to be a member of the Federal Farm Credit Board, Farm Credit Administration, for a term expiring March 31, 1971.

Ralph K. Cooper, of Arizona, to be a member of the Federal Farm Credit Board, Farm Credit Administration, for a term expiring March 31, 1971.

DEPARTMENT OF THE ARMY

Stanley R. Resor, of Connecticut, to be Under Secretary of the Army.

U.S. ARMY

The following-named officers for temporary appointment in the Army of the United States, to the grades indicated, under the provisions of title 10, United States Code, sections 3442 and 3447:

To be major generals

Brig. Gen. Robert Rigby Glass, O19765, Army of the United States (colonel, U.S. Army).

Brig. Gen. Henry Kreitzer Benson, Jr., O20331, Army of the United States (colonel, U.S. Army).

Brig. Gen. Edward Chrysostom David Scherrer, O20690, Army of the United States (colonel, U.S. Army).

Brig. Gen. Roland Bennett Anderson, O21108, Army of the United States (colonel, U.S. Army).

Brig. Gen. William Andrew Enemark, O20879, Army of the United States (colonel, U.S. Army).

Brig. Gen. John Allen Beall, Jr., O19907, Army of the United States (colonel, U.S. Army).

Brig. Gen. John Jarvis Tolson III, O20826, Army of the United States (colonel, U.S. Army).

Brig. Gen. Edward Clare Dunn, O20245, Army of the United States (brigadier general, U.S. Army).

Brig. Gen. Clarence Carl Haug, O19736, Army of the United States (colonel, U.S. Army).

Brig. Gen. Ben Sternberg, O21286, Army of the United States (colonel, U.S. Army).

Brig. Gen. Frank Alexander Osmanski, O19745, Army of the United States (colonel, U.S. Army).

Brig. Gen. Michael Shannon Davison, O22051, Army of the United States (colonel, U.S. Army).

Brig. Gen. Allen Thomas Stanwix-Hay, O51759, Army of the United States (colonel, U.S. Army).

Brig. Gen. Melville Brown Coburn, O19973, Army of the United States (colonel, U.S. Army).

Brig. Gen. Kelsie Loomis Reaves, O20777, Army of the United States (colonel, U.S. Army).

Brig. Gen. Thomas Jay Hayes III, O20134, Army of the United States (colonel, U.S. Army).

Brig. Gen. John Arthur Goshorn, O31465, Army of the United States (colonel, U.S. Army).

Brig. Gen. John Charles Fremont Tillson, III, O21196, Army of the United States (colonel, U.S. Army).

Brig. Gen. Charles Stuart O'Malley, Jr., O20682, Army of the United States (colonel, U.S. Army).

Brig. Gen. Lawrence Edward Schlanser, O19886, Army of the United States (colonel, U.S. Army).

Brig. Gen. Benjamin Otto Turnage, Jr., O20360, Army of the United States (colonel, U.S. Army).

Brig. Gen. Donald Vivian Bennett O23001, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. John Milton Finn, O21252, Army of the United States (colonel, U.S. Army).

Brig. Gen. Charles Peter Stone, O21376, Army of the United States (colonel, U.S. Army).

To be brigadier generals

Col. William Arthur McKee, O31867, U.S. Army.

Col. William Herbert Price, Jr., O21903, U.S. Army.

Col. Lloyd Hilary Gomes, O21353, U.S. Army.

Col. Omer Sigmund Dews, O40079, U.S. Army.

Col. Samuel McClure Goodwin, O23177, Army of the United States (lieutenant colonel, U.S. Army).

Col. William Emmett Ekman, O21190, U.S. Army.

Col. Wilson Maxwell Hawkins, O22737, U.S. Army.

Col. Michael Jesse Reichel, O40087, U.S. Army.

Col. James Lawton Collins, Jr., O21788, U.S. Army.

Col. Robert Charles Forbes, O24511, Army of the United States (lieutenant colonel, U.S. Army).

Col. Charles McNeal Mount, Jr., O21849, U.S. Army.

Col. Robert Riis Ploger, O21760, U.S. Army.

Col. Charles Martin Gettys, O44181, U.S. Army.

Col. Edward Harleston DeSaussure, Jr., O23790, Army of the United States (lieutenant colonel, U.S. Army).

Col. Frank Dickson Miller, O21270, U.S. Army.

Col. Clarence Clinton Harvey, Jr., O21076, U.S. Army.

Col. John Scarborough Hughes, O34271, Army of the United States (lieutenant colonel, U.S. Army).

Col. John Eugene Kelsey, O21061, U.S. Army.

Col. Michael Paulick, O23060, Army of the United States (lieutenant colonel, U.S. Army).

Col. George Marion Seignious, II, O47226, Army of the United States (lieutenant colonel, U.S. Army).

Col. George Philip Seneff, Jr., O23738, Army of the United States (lieutenant colonel, U.S. Army).

Col. Thurston Tyler Paul, Jr., O32243, U.S. Army.

Col. John Frederick Freund, O23334, Army of the United States (lieutenant colonel, U.S. Army).

Col. Roland Merrill Gleszer, O23278, Army of the United States (lieutenant colonel, U.S. Army).

Col. Thomas Henderson Scott, Jr., O23030, Army of the United States (lieutenant colonel, U.S. Army).

Col. John Russell Deane, Jr., O24835, Army of the United States (lieutenant colonel, U.S. Army).

Col. Jerry Spears Addington, O23041, Army of the United States (lieutenant colonel, U.S. Army).

Col. Edward Alfred Bailey, O21083, U.S. Army.

Col. David Stuart Parker, O22907, Army of the United States (lieutenant colonel, U.S. Army).

Col. Samuel William Koster, O24873, Army of the United States (lieutenant colonel, U.S. Army).

Col. Walter MacRae Vann, O21812, Army of the United States (lieutenant colonel, U.S. Army).

Col. Alvin Ethelbert Cowan, O24171, Army of the United States (lieutenant colonel, U.S. Army).

Col. Jack Emerson Babcock, O21413, U.S. Army.

Col. Donald Harry Cowles, O35735, Army of the United States (lieutenant colonel, U.S. Army).

Col. Robert Campbell Cassibry, O23058, Army of the United States (lieutenant colonel, U.S. Army).

Col. Edwin Fahey Black, O23012, Army of the United States (lieutenant colonel, U.S. Army).

Col. Andrew Peach Rollins, Jr., O24237, Army of the United States (lieutenant colonel, U.S. Army).

Col. Frank Meszar, O23211, Army of the United States (lieutenant colonel, U.S. Army).

The Army National Guard of the United States officer named herein for appointment as a Reserve commissioned officer of the Army under the provisions of title 10, United States Code, sections 593(a) and 3392:

To be major general

Brig. Gen. Maurice Lynn Watts, O392863, Adjutant General's Corps.

The Army National Guard of the United States officer named herein for promotion as a Reserve commissioned officer of the Army, under the provisions of title 10, United States Code, sections 593(a) and 3385:

To be brigadier general

Col. William Fahy Sheehan, O1285126, Armor.

The following-named officers to be placed on the retired list in the grade indicated, under the provisions of title 10, United States Code, section 3962:

To be lieutenant generals

Lt. Gen. Verdi Beethoven Barnes, O17198, Army of the United States (major general U.S. Army).

Lt. Gen. Russell Lewell Vittrup, O17681, Army of the United States (major general, U.S. Army).

The following-named officer, under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the

President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Vernon Price Mock, O19906, U.S. Army.

U.S. NAVY

To be admiral

Vice Adm. Alfred G. Ward, U.S. Navy, having been designated, under the provisions of title 10, United States Code, section 5231, for commands and other duties determined by the President to be within the contemplation of said section, for appointment to the grade indicated while so serving.

Rear Adm. Edward E. Grimm, U.S. Navy, to be Director of Budget and Reports in the Department of the Navy for a term of 3 years.

To be vice admiral

Rear Adm. Bernard F. Roeder, U.S. Navy, having been designated, under the provisions of title 10, United States Code, section 5231, for commands and other duties determined by the President to be within the contemplation of said section, for appointment to the grade indicated while so serving.

U.S. MARINE CORPS

The following-named officers of the Marine Corps, when retired, to be placed on the retired list in the grade indicated, in accordance with the provisions of title 10, United States Code, section 5233:

To be lieutenant generals

Charles H. Hayes.
James P. Berkeley.

The following-named officers having been designated, in accordance with the provisions of title 10, United States Code, section 5232, for commands and other duties determined by the President to be within the contemplation of said section, for appointment to the grade indicated while so serving:

To be lieutenant generals

Richard C. Mangrum
Alpha L. Bowser

EXTENSIONS OF REMARKS

Residual Oil: April Fool Joke

EXTENSION OF REMARKS

OF

HON. JOSEPH W. MARTIN, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1965

Mr. MARTIN of Massachusetts. Last Friday I issued a press release on the residual oil problem, and I am happy to note that on Saturday the Secretary of the Interior agreed with me. We both feel that there is no national security basis for this program.

The Secretary has referred the question to the Director of the Office of Emergency Planning to make "a searching new study." I hope this does not result in the interment of the question in this quiet burial ground.

The matter has been studied to death. We need no new studies. We request a prompt finding by the Director that there is at this time no national security basis for the controls.

Then, I trust the President will have the courage to issue a proclamation bringing this injustice to an end.

The statement follows:

STATEMENT OF CONGRESSMAN JOSEPH W. MARTIN, JR., ISSUED ON FRIDAY, APRIL 2, 1965

New England is once again to be victimized by the imposition of quotas for residual oil imports.

We had hoped and expected that we had convinced the Secretary of the Interior that his controls were on a very shaky legal foundation, there being no national security basis for his program.

We had thought that he was aware of the harm being done to New England, already suffering acutely from economic benefits given to other sections of the country to its disadvantage.

We had believed that his April 1 pronouncement would be: "No more controls for New England."

Imagine our consternation when we are told on March 31 that everything would be all right for New England, only to find out on April 1 that some last minute influence caused the Secretary to do a complete about-face. What happened? If there was no national security reason to impose controls on us on March 31, what intervened to create a national security basis for this hardship on April 1?

At his press conference on March 31, the Secretary of the Interior said: "We had contemplated what would have amounted to an open end program in Florida and the five New England States, with a continuation of the existing program in the other east coast States. This represented my best judgment as a solution."

But this was not the April 1 decision of the Secretary. His best judgment was not allowed to prevail. Who intervened? Whose judgment is being substituted for that of the Federal official duly charged with this great responsibility by the laws of the land? Who played this April Fool's joke on New England?

The Secretary says that he does not have the power, "acting alone, to make a decision" on the national security question. Why not? The President of the United States delegated to him all the vast powers of the Presidency in respect to oil matters. What more powers does the Secretary need?

Who says that New England must continue to suffer this burden, when the Secretary of the Interior has concluded publicly that in his best judgment these unfair controls are not needed?

The Secretary admits honestly that consumers are paying a penalty of about $40 million a year as the result of this program, and a large percentage of that penalty is inflicted upon New England.

The Secretary admits honestly that he doesn't like and cannot justify the present plan, and he begs for an "alternative, workable plan." There isn't any such plan.

The only alternative to the present outrage is no controls. The alternative is for the Federal Government to admit the truth; there is no national security reason to justify this program. Once that admission is made, this jerry-rigged scheme to sabotage New England can be ended, and free enterprise can begin to make sense out of this expensive boondoggle promoted and maintained by the Department of the Interior.

Voting Rights Act of 1965 Is Bad Legislation

EXTENSION OF REMARKS

OF

HON. E. C. GATHINGS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 5, 1965

Mr. GATHINGS. Mr. Speaker, eligible Americans should have the right to vote, but it should not be done at the expense of tearing down the structure of State government. There are three provisions of the Constitution that affect the matter of voting. The first is article I, section 2, which reads as follows:

The House of Representatives shall be composed of Members chosen every second Year by the People of the several States, and the Electors in each State shall have the Qualifications requisite for Electors of the most numerous Branch of the State Legislature.

The next one is amendment 15, which has this to say:

SECTION 1. The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color, or previous condition of servitude.

Subsequently amendment 17 was placed in the Constitution which has to do with the direct election of Senators and says this:

The Senate of the United States shall be composed of two Senators from each State, elected by the people thereof, for six years; and each Senator shall have one vote. The electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislatures.

The two constitutional provisions, one of which was amendment 17, which came after the adoption of amendment 15, lodged the authority in the States to set qualifications with respect to voting. Hysteria, propaganda, and hasty appeals for action do not change the effectiveness of the State authority with respect to voting unless the qualifications set out by the State would discriminate against segments of the population or are themselves unreasonable. Then such State provisions would be subject to being reviewed as to their constitutionality.

I cannot agree with the doctrine enunciated by President Lyndon B. Johnson in his recent message to a joint session of Congress which was based on amendment 15, and this alone.

The Congress is working under a high top priority rating on what is known as the Voting Rights Act of 1965. The bill brings under Federal jurisdiction for the first time State and county elections. As it is worded, it applies to six States which are Georgia, Alabama, Louisiana, Mississippi, South Carolina, and Virginia. These States are covered because less than 50 percent of their people who are 21 years of age or over cast a vote in