United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 89th CONGRESS, SECOND SESSION

SENATE

THURSDAY, OCTOBER 13, 1966

The Senate met at 10 o'clock a.m., and was called to order by Hon. DANIEL K. INOUYE, a Senator from the State of Hawaii.

Rev. Edward B. Lewis, pastor, Capitol Hill Methodist Church, Washington, D.C., offered the following prayer:

O God, the King of all men, the Lord of the young, the middle-aged, the aged, without Thee, we can do nothing. With Thee, we can accomplish that which is set before us.

Give to our President and all leaders clean and clear minds in their important task of these days. Help them to lift this Nation to high and worthy goals.

Save us, as a people, from slothfulness of mind, neglect of soul, indifference to the rights and needs of others. May we find the light and peace of moral victory for all men. Make us to remember the highest in fixing our wills on purity, honor, and truth.

Forgive us for our wanderings from the high calling set before us. Jesus offers us salvation, peace, and power for right. Make us worthy to receive these gifts of God, we pray in the Master's name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., October 13, 1966.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. DANIEL K. INOUYE, a Senator from the State of Hawaii, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. INOUYE thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On the request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, October 12, 1966, was dispensed with.

LIMITATION OF STATEMENTS DURING THE TRANSACTION OF ROUTINE MORNING BUSINESS

On request of Mr. MANSFIELD, and by unanimous consent, statements during the transaction of routine morning business were ordered limited to 3 minutes.

EXECUTIVE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Senate proceeded to consider executive business.

INTERNATIONAL CONVENTION ON LOAD LINES, 1966

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Executive S—89th Congress, 2d session—the International Convention on Load Lines, 1966, with annexes.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the convention, Executive S (89th Cong., 2d sess.), the International Convention on Load Lines, 1966, with annexes, signed for the United States at London on April 5, 1966, which was read the second time, as follows:

INTERNATIONAL CONVENTION ON LOAD LINES, 1966

The Contracting Governments,

Desiring to establish uniform principles and rules with respect to the limits to which ships on international voyages may be loaded having regard to the need for safeguarding life and property at sea;

Considering that this end may best be achieved by conclusion of a Convention;

Have agreed as follows:

ARTICLE 1

General obligation under the convention

(1) The Contracting Governments undertake to give effect to the provisions of the present Convention and the Annexes hereto, which shall constitute an integral part of the present Convention. Every reference to the present Convention constitutes at the same time a reference to the Annexes.

(2) The Contracting Governments shall undertake all measures which may be necessary to give effect to the present Convention.

ARTICLE 2

Definitions

For the purpose of the present Convention, unless expressly provided otherwise:

(1) "Regulations" means the Regulations annexed to the present Convention.

(2) "Administration" means the Government of the State whose flag the ship is flying.

(3) "Approved" means approved by the Administration.

(4) "International voyage" means a sea voyage from a country to which the present Convention applies to a port outside such country, or conversely. For this purpose, every territory for the international relations of which a Contracting Government is responsible or for which the United Nations are the administering authority is regarded as a separate country.

(5) A "fishing vessel" is a ship used for catching fish, whales, seals, walrus or other living resources of the sea.

(6) "New ship" means a ship the keel of which is laid, or which is at a similar stage of construction, on or after the date of coming into force of the present Convention for each Contracting Government.

(7) "Existing ship" means a ship which is not a new ship.

(8) "Length" means 96 per cent of the total length on a waterline at 85 per cent of the least moulded depth measured from the top of the keel, or the length from the fore side of the stem to the axis of the rudder stock on that waterline, if that be greater. In ships designed with a rake of keel the waterline on which this length is measured shall be parallel to the designed waterline.

ARTICLE 3

General provisions

(1) No ship to which the present Convention applies shall proceed to sea on an international voyage after the date on which the present Convention comes into force unless it has been surveyed, marked and provided with an International Load Line Certificate (1966) or, where appropriate, an International Load Line Exemption Certificate in accordance with the provisions of the present Convention.

(2) Nothing in this Convention shall prevent an Administration from assigning a greater freeboard than the minimum freeboard determined in accordance with Annex I.

ARTICLE 4

Application

(1) The present Convention shall apply to:

(a) ships registered in countries the Governments of which are Contracting Governments;

(b) ships registered in territories to which the present Convention is extended under Article 32; and

(c) unregistered ships flying the flag of a State, the Government of which is a Contracting Government.

(2) The present Convention shall apply to ships engaged on international voyages.

(3) The Regulations contained in Annex I are specifically applicable to new ships.

(4) Existing ships which do not fully comply with the requirements of the Regulations contained in Annex I or any part thereof shall meet at least such lesser related requirements as the Administration applied to ships on international voyages prior to the coming into force of the present Convention; in no case shall such ships be required to increase their freeboards. In order to take advantage of any reduction in freeboard from that previously assigned, existing ships shall comply with all the requirements of the present Convention.

(5) The Regulations contained in Annex II are applicable to new and existing ships to which the present Convention applies.

ARTICLE 5

Exceptions

(1) The present Convention shall not apply to:

(a) ships of war;

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(b) new ships of less than 24 metres (79 feet) in length;
(c) existing ships of less than 150 tons gross;
(d) pleasure yachts not engaged in trade;
(e) fishing vessels.
(2) Nothing herein shall apply to ships solely navigating:
(a) the Great Lakes of North America and the River St. Lawrence as far east as a rhumb line drawn from Cap des Rosiers to West Point, Anticosti Island, and, on the north side of Anticosti Island, the meridan of longitude 63°W;
(b) the Caspian Sea;
(c) the Plate, Parana and Uruguay Rivers as far east as a rhumb line drawn between Punta Norte, Argentina, and Punta del Este, Uruguay.

ARTICLE 6

Exemptions

(1) Ships when engaged on international voyages between the near neighbouring ports of two or more States may be exempted by the Administration from the provisions of the present Convention, so long as they shall remain engaged on such voyages, if the Governments of the States in which such ports are situated shall be satisfied that the sheltered nature or conditions of such voyages between such ports make it unreasonable or impracticable to apply the provisions of the present Convention to ships engaged on such voyages.
(2) The Administration may exempt any ship which embodies features of a novel kind from any of the provisions of this Convention the application of which might seriously impede research into the development of such features and their incorporation in ships engaged on international voyages. Any such ship shall, however, comply with safety requirements which, in the opinion of that Administration, are adequate for the service for which it is intended and are such as to ensure the overall safety of the ship and which are acceptable to the Governments of the States to be visited by the ship.
(3) The Administration which allows any exemption under paragraphs (1) and (2) of this Article shall communicate to the Inter-Governmental Maritime Consultative Organization (hereinafter called the Organization) particulars of the same and reasons therefor which the Organization shall circulate to the Contracting Governments for their information.
(4) A ship which is not normally engaged on international voyages but which, in exceptional circumstances, is required to undertake a single international voyage may be exempted by the Administration from any of the requirements of the present Convention, provided that it complies with safety requirements which, in the opinion of that Administration, are adequate for the voyage which is to be undertaken by the ship.

ARTICLE 7

Force majeure

(1) A ship which is not subject to the provisions of the present Convention at the time of its departure on any voyage shall not become subject to such provisions on account of any deviation from its intended voyage due to stress of weather or any other cause of *force majeure*.
(2) In applying the provisions of the present Convention, the Contracting Governments shall give due consideration to any deviation or delay caused to any ship owing to stress of weather or any other cause of *force majeure*.

ARTICLE 8

Equivalents

(1) The Administration may allow any fitting, material, appliance or apparatus to be fitted, or any other provision to be made in a ship, other than that required by the present Convention, if it is satisfied by trial thereof or otherwise that such fitting, material, appliance or apparatus, or provision, is at least as effective as that required by the Convention.
(2) The Administration which allows a fitting, material, appliance or apparatus, or provision, other than that required by the present Convention, shall communicate to the Organization for circulation to the Contracting Governments particulars thereof, together with a report on any trials made.

ARTICLE 9

Approvals for experimental purposes

(1) Nothing in the present Convention shall prevent an Administration from making specific approvals for experimental purposes in respect of a ship to which the Convention applies.
(2) An Administration which makes any such approval shall communicate to the Organization for circulation to the Contracting Governments particulars thereof.

ARTICLE 10

Repairs, alterations and modifications

(1) A ship which undergoes repairs, alterations, modifications and outfitting related thereto shall continue to comply with at least the requirements previously applicable to the ship. An existing ship in such a case shall not, as a rule, comply to a lesser extent with the requirements for a new ship than it did before.
(2) Repairs, alterations and modifications of a major character and outfitting related thereto should meet the requirements for a new ship in so far as the Administration deems reasonable and practicable.

ARTICLE 11

Zones and areas

(1) A ship to which the present Convention applies shall comply with the requirements applicable to that ship in the zones and areas described in Annex II.
(2) A port standing on the boundary line between two zones or areas shall be regarded as within the zone or area from or into which the ship arrives or departs.

ARTICLE 12

Submersion

(1) Except as provided in paragraphs (2) and (3) of this Article, the appropriate load lines on the sides of the ship corresponding to the season of the year and the zone or area in which the ship may be shall not be submerged at any time when the ship puts to sea, during the voyage or on arrival.
(2) When a ship is in fresh water of unit density the appropriate load line may be submerged by the amount of the fresh water allowance shown on the International Load Line Certificate (1966). Where the density is other than unity, an allowance shall be made proportional to the difference between 1.025 and the actual density.
(3) When a ship departs from a port situated on a river or inland waters, deeper loading shall be permitted corresponding to the weight of fuel and all other materials required for consumption between the point of departure and the sea.

ARTICLE 13

Survey, inspection and marking

The survey, inspection and marking of ships, as regards the enforcement of the provisions of the present Convention and the granting of exemptions therefrom, shall be carried out by officers of the Administration. The Administration may, however, entrust the survey, inspection and marking either to surveyors nominated for the purpose or to organizations recognized by it. In every case the Administration concerned fully guarantees the completeness and efficiency of the survey, inspection and marking.

ARTICLE 14

Initial and periodical surveys and inspections

(1) A ship shall be subjected to the surveys and inspections specified below:
(a) A survey before the ship is put in service, which shall include a complete inspection of its structure and equipment in so far as the ship is covered by the present Convention. This survey shall be such as to ensure that the arrangements, material, and scantlings fully comply with the requirements of the present Convention.
(b) A periodical survey at intervals specified by the Administration, but not exceeding five years, which shall be such as to ensure that the structure, equipment, arrangements, material and scantlings fully comply with the requirements of the present Convention.
(c) A periodical inspection within three months either way of each annual anniversary date of the certificate, to ensure that alterations have not been made to the hull or superstructures which would affect the calculations determining the position of the load line and so as to ensure the maintenance in an effective condition of fittings and appliances for:
(i) protection of openings;
(ii) guard rails;
(iii) freeing ports; and
(iv) means of access to crew's quarters.
(2) The periodical inspections referred to in paragraph (1)(c) of this Article shall be endorsed on the International Load Line Certificate (1966) or on the International Load Line Exemption Certificate issued to a ship exempted under paragraph (2) of Article 6 of the present Convention.

ARTICLE 15

Maintenance of conditions after survey

After any survey of the ship under Article 14 has been completed, no change shall be made in the structure, equipment, arrangements, material or scantlings covered by the survey, without the sanction of the Administration.

ARTICLE 16

Issue of certificates

(1) An International Load Line Certificate (1966) shall be issued to every ship which has been surveyed and marked in accordance with the present Convention.
(2) An International Load Line Exemption Certificate shall be issued to any ship to which an exemption has been granted under and in accordance with paragraph (2) or (4) of Article 6.
(3) Such certificates shall be issued by the Administration or by any person or organization duly authorized by it. In every case, the Administration assumes full responsibility for the certificate.
(4) Notwithstanding any other provision of the present Convention, any international load line certificate which is current when the present Convention comes into force in respect to the Government of the State whose flag the ship is flying shall remain valid for two years or until it expires, whichever is earlier. After that time an International Load Line Certificate (1966) shall be required.

ARTICLE 17

Issue of certificate by another government

(1) A Contracting Government may, at the request of another Contracting Government, cause a ship to be surveyed and, if satisfied that the provisions of the present Convention are complied with, shall issue or authorize the issue of an International

Load Line Certificate (1966) to the ship in accordance with the present Convention.

(2) A copy of the certificate, a copy of the survey report used for computing the freeboard, and a copy of the computations shall be transmitted as early as possible to the requesting Government.

(3) A certificate so issued must contain a statement to the effect that it has been issued at the request of the Government of the State whose flag the ship is or will be flying and it shall have the same force and receive the same recognition as a certificate issued under Article 16.

(4) No International Load Line Certificate (1966) shall be isued to a ship which is flying the flag of a State the Government of which is not a Contracting Government.

ARTICLE 18

Form of certificates

(1) The certificates shall be drawn up in the official language or languages of the issuing country. If the language used is neither English nor French, the text shall include a translation into one of these languages.

(2) The form of the certificates shall be that of the models given in Annex III. The arrangement of the printed part of each model certificate shall be exactly reproduced in any certificates issued, and in any certified copies thereof.

ARTICLE 19

Duration of certificates

(1) An International Load Line Certificate (1966) shall be issued for a period specified by the Administration, which shall not exceed five years from the date of issue.

(2) If, after the periodical survey referred to in paragraph (1) (b) of Article 14, a new certificate cannot be issued to the ship before the expiry of the certificate originally issued, the person or organization carrying out the survey may extend the validity of the original certificate for a period which shall not exceed five months. This extension shall be endorsed on the certificate, and shall be granted only where there have been no alterations in the structure, equipment, arrangements, material or scantlings which affect the ship's freeboard.

(3) An International Load Line Certificate (1966) shall be cancelled by the Administration if any of the following circumstances exist:

(a) material alterations have taken place in the hull or superstructures of the ship such as would necessitate the assignment of an increased freeboard;

(b) the fittings and appliances mentioned in sub-paragraph (c) of paragraph (1) of Article 14 are not maintained in an effective condition;

(c) the certificate is not endorsed to show that the ship has been inspected as provided in sub-paragraph (c) of paragraph (1) of Article 14;

(d) the structural strength of the ship is lowered to such an extent that the ship is unsafe.

(4) (a) The duration of an International Load Line Exemption Certificate issued by an Administration to a ship exempted under paragraph (2) of Article 6 shall not exceed five years from the date of issue. Such certificate shall be subject to a renewal, endorsement and cancellation procedure similar to that provided for an International Load Line Certificate (1966) under this Article.

(b) The duration of an International Load Line Exemption Certificate issued to a ship exempted under paragraph (4) of Article 6 shall be limited to the single voyage for which it is issued.

(5) A certificate issued to a ship by an Administration shall cease to be valid upon the transfer of such a ship to the flag of another State.

ARTCLE 20

Acceptance of certificates

The certificates issued under the authority of a Contracting Government in accordance with the present Convention shall be accepted by the other Contracting Governments and regarded for all purposes covered by the present Convention as having the same force as certificates issued by them.

ARTICLE 21

Control

(1) Ships holding a certificate issued under Article 16 or Article 17 are subject, when in the ports of other Contracting Governments, to control by officers duly authorized by such Governments. Contracting Governments shall ensure that such control is exercised as far as is reasonable and practicable with a view to verifying that there is on board a valid certificate under the present Convention. If there is a valid International Load Line Certificate (1966) on board the ship, such control shall be limited to the purpose of determining that:

(a) the ship is not loaded beyond the limits allowed by the certificate;

(b) the position of the load line of the ship corresponds with the certificate; and

(c) the ship has not been so materially altered in respect to the matters set out in sub-paragraphs (a) and (b) of paragraph (3) of Article 19 that the ship is manifestly unfit to proceed to sea without danger to human life.

If there is a valid International Load Line Exemption Certificate on board, such control shall be limited to the purpose of determining that any conditions stipulated in that certificate are complied with.

(2) If such control is exercised under sub-paragraph (c) of paragraph (1) of this Article, it shall only be exercised in so far as may be necessary to ensure that the ship shall not sail until it can proceed to sea without danger to the passengers or the crew.

(3) In the event of the control provided for in this Article giving rise to intervention of any kind, the officer carrying out the control shall immediately inform in writing the Consul or the diplomatic representative of the State whose flag the ship is flying of this decision and of all the circumstances in which intervention was deemed to be necessary.

ARTICLE 22

Privileges

The privileges of the present Convention may not be claimed in favour of any ship unless it holds a valid certificate under the Convention.

ARTICLE 23

Casualties

(1) Each Administration undertakes to conduct an investigation of any casualty occurring to ships for which it is responsible and which are subject to the provisions of the present Convention when it judges that such an investigaion may assist in determining what changes in the Convention might be desirable.

(2) Each Contracting Government undertakes to supply the Organization with the pertinent information concerning the findings of such investigations. No reports or recommendations of the Organization based upon such information shall disclose the identity or nationality of the ships concerned or in any manner fix or imply responsibility upon any ship or person.

ARTICLE 24

Prior treaties and conventions

(1) All other treaties, conventions and arrangements relating to load line matters at present in force between Government parties to the present Convention shall continue to have full and complete effect during the terms thereof as regards:

(a) ships to which the present Convention does not apply; and

(b) ships to which the present Convention applies, in respect of matters for which it has not expressly provided.

(2) To the extent, however, that such treaties, conventions or arrangements conflict with the provisions of the present Convention, the provisions of the present Convention shall prevail.

ARTICLE 25

Special rules drawn up by agreement

When in accordance with the present Convention special rules are drawn up by agreement among all or some of the Contracting Governments, such rules shall be communicated to the Organization for circulation to all Contracting Governments.

ARTICLE 26

Communication of information

(1) The Contracting Governments undertake to communicate to and deposit with the Organization:

(a) a sufficient number of specimens of their certificates issued under the provisions of the present Convention for circulation to the Contracting Governments;

(b) the text of the laws,, decrees, orders, regulations and other instruments which shall have been promulgated on the various matters within the scope of the present Convention; and

(c) a list of non-governmental agencies which are authorized to act in their behalf in the administration of load line matters for circulation to the Contracting Governments.

(2) Each Contracting Government agrees to make its strength standards available to any other Contracting Government, upon request.

ARTICLE 27

Signature, acceptance and accession

(1) The present Convention shall remain open for signature for three months from 5 April 1966 and shall thereafter remain open for accession. Governments of States members of the United Nations or of any of the Special Agencies, or of the International Atomic Energy Agency, or parties to the Statute of the International Court of Justice may become parties to the Convention by;

(a) signature without reservation as to acceptance;

(b) signature subject to acceptance followed by acceptance; or

(c) accession.

(2) Acceptance or accession shall be effected by the deposit of an instrument of acceptance or accession with the Organization which shall inform all Governments that have signed the Convention or acceded to it of each new acceptance or accession and of the date of its deposit.

ARTICLE 28

Coming into force

(1) The present Convention shall come into force twelve months after the date on which not less than fifteen Governments of the States, including seven each with not less than one million gross tons of shipping, have signed without reservation as to acceptance or deposited instruments of acceptance or accession in accordance with Article 27. The Organization shall inform all Governments which have signed or acceded to the present Convention of the date on which it comes into force.

(2) For Governments which have deposited an instrument of acceptance of or accession to the present Convention during the twelve months mentioned in paragraph

(1) of this Article, the acceptance or accession shall take effect on the coming into force of the present Convention or three months after the date of deposit of the instrument of acceptance or accession, whichever is the later date.

(3) For Governments which have deposited an instrument of acceptance of or accession to the present Convention after the date on which it comes into force, the Convention shall come into force three months after the date of the deposit of such instrument.

(4) After the date on which all the measures required to bring an amendment to the present Convention into force have been completed, or all necessary acceptances are deemed to have been given under sub-paragraph (b) of paragraph (2) of Article 29 in case of amendment by unanimous acceptance, any instrument of acceptance or accession deposited shall be deemed to apply to the Convention as amended.

ARTICLE 29

Amendments

(1) The present Convention may be amended upon the proposal of a Contracting Government by any of the procedures specified in this Article.

(2) Amendment by unanimous acceptance

(a) Upon the request of a Contracting Government, any amendment proposed by it to the present Convention shall be communicated by the Organization to all Contracting Governments for consideration with a view to unanimous acceptance.

(b) Any such amendment shall enter into force twelve months after the date of its acceptance by all Contracting Governments unless an earlier date is agreed upon. A Contracting Government which does not communicate its acceptance or rejection of the amendment to the Organization within three years of its first communication by the latter shall be deemed to have accepted the amendment.

(c) Any proposed amendment shall be deemed to be rejected if it is not accepted under sub-paragraph (b) of the present paragraph within three years after it has been first communicated to all Contracting Governments by the Organization.

(3) Amendment after consideration in the Organization.

(a) Upon the request of a Contracting Government, any amendment proposed by it to the present Convention will be considered in the Organiztion. If adopted by a majority of two-thirds of those present and voting in the Maritime Safety Committee of the Organization, such amendment shall be communicated to all Members of the Organization and all Contracting Governments at least six months prior to its consideration by the Assembly of the Organization.

(b) If adopted by a two-thirds majority of those present and voting in the Assembly, the amendment shall be communicated by the Organization to all Contracting Governments for their acceptance.

(c) Such amendment shall come into force twelve months after the date on which it is accepted by two-thirds of the Contracting Governments. The amendment shall come into force with respect to all Contracting Governments except those which, before it comes into force, make a declaration that they do not accept the amendment.

(d) The Assembly, by a two-thirds majority of those present and voting, including two-thirds of the Government represented on the Maritime Safety Committee and present and voting in the Assembly, may propose a determination at the time of its adoption that an amendment is of such an important nature that any Contracting Government which makes a declaration under subparagraph (c), and which does not accept the amendment within a period of twelve months after it comes into force, shall cease to be a party to the present Convention upon the expiry of that period. This determination shall be subject to the prior acceptance of two-thirds of the Contracting Governments to the present Convention.

(e) Nothing in this paragraph shall prevent the Contracting Government which first proposed action under this paragraph on an amendment to the present Convention from taking at any time such alternative action as it deems desirable in accordance with paragraph (2) or (4) of this Article.

(4) Amendment by a conference

(a) Upon the request of a Contracting Government, concurred in by at least one-third of the Contracting Governments, a conference of Governments will be convened by the Organization to consider amendments to the present Convention.

(b) Every amendment adopted by such a conference by a two-thirds majority of those present and voting of the Contracting Governments shall be communicated by the Organization to all Contracting Governments for their acceptance.

(c) Such amendment shall come into force twelve months after the date on which it is accepted by two-thirds of the Contracting Governments. The amendment shall come into force with respect to all Contracting Governments except those which, before it comes into force, make a declaration that they do not accept the amendment.

(d) By a two-thirds majority of those present and voting, a conference convened under sub-paragraph (a) may determine at the time of its adoption that an amendment is of such an important nature that any Contracting Government which makes a declaration under sub-paragraph (c), and which does not accept the amendment within a period of twelve months after it comes into force, shall cease to be a party to the present Convention upon the expiry of that period.

(5) Any amendments to the present Convention made under this Article which relate to the structure of a ship shall apply only to ships the keels of which are laid, or which are at a similar stage of construction, on or after the date on which the amendment comes into force.

(6) The Organization shall inform all Contracting Governments of any amendments which come into force under this Article, together with the date on which each such amendment will come into force.

(7) Any acceptance or declaration under this Article shall be made by a notification in writing to the Organization which shall notify all Contracting Governments of the receipt of the acceptance or declaration.

ARTICLE 30

Denunciation

(1) The present Convention may be denounced by any Contracting Government at any time after the expiry of five years from the date on which the Convention comes into force for that Government.

(2) Denunciation shall be effected by a notification in writing addressed to the Organization which shall inform all the other Contracting Governments of any such notification received and of the date of its receipt.

(3) A denunciation shall take effect one year, or such longer period as may be specified in the notification, after its receipt by the Organization.

ARTICLE 31

Suspension

(1) In case of hostilities or other extraordinary circumstances which affect the vital interests of a State the Government of which is a Contracting Government, that Government may suspend the operation of the whole or any part of the present Convention. The suspending Government shall immediately give notice of any such suspension to the Organization.

(2) Such suspension shall not deprive other Contracting Governments of any right of control under the present Convention over the ships of the suspending Government when such ships are within their ports.

(3) The suspending Government may at any time terminate such suspension and shall immediately give notice of such termination to the Organization.

(4) The Organization shall notify all Contracting Governments of any suspension or termination of suspension under this Article.

ARTICLE 32

Territories

(1) (a) The United Nations, in cases where they are the administering authority for a territory, or any Contracting Government responsible for the international relations of a territory, shall as soon as possible consult with such territory in an endeavour to extend the present Convention to that territory and may at any time by notification in writing to the Organization declare that the present Convention shall extend to such territory.

(b) The present Convention shall, from the date of the receipt of the notification or from such other date as may be specified in the notification, extend to the territory named therein.

(2) (a) The United Nations, or any Contracting Government which has made a declaration under sub-paragraph (a) of paragraph (1) of this Article, at any time after the expiry of a period of five years from the date on which the Convention has been so extended to any territory, may by notification in writing to the Organization declare that the present Convention shall cease to extend to any such territory named in the notification.

(b) The present Convention shall cease to extend to any territory mentioned in such notification one year, or such longer period as may be specified therein, after the date of receipt of the notification by the Organization.

(3) The Organization shall inform all the Contracting Governments of the extension of the present Convention to any territories under paragraph (1) of this Article, and of the termination of any such extension under the provisions of paragraph (2), stating in each case the date from which the present Convention has been or will cease to be so extended.

ARTICLE 33

Registration

(1) The present Convention shall be deposited with the Organization and the Secretary-General of the Organization shall transmit certified true copies thereof to all Signatory Governments and to all Governments which accede to the present Convention.

(2) As soon as the present Convention comes into force it shall be registered by the Organization in accordance with Article 102 of the Charter of the United Nations.

ARTICLE 34

Languages

The present Convention is established in a single copy in the English and French languages, both texts being equally authentic. Official translations in the Russian and Spanish languages shall be prepared and deposited with the signed original.

IN WITNESS WHEREOF the undersigned being duly authorized by their respective Governments for that purpose have signed the present Convention.

Done at London this fifth day of April 1966.

For the Government of the Kingdom of Afghanistan

For the Government of the People's Republic of Albania

For the Government of the Democratic and Popular Republic of Algeria

For the Government of the Argentine Republic, subject to acceptance
H. G. MARCO [5 April 1966]

For the Government of the Commonwealth of Australia, subject to acceptance
L. R. DOWNER 4th July 1966

For the Government of the Republic of Austria

For the Government of the Kingdom of Belgium, sous réserve d'approbation et de ratification
VAN DEN BOSCH,
R. VANCRAEYNEST [5 April 1966]

For the Government of the Republic of Bolivia

For the Government of the United States of Brazil, subject to acceptance
GEORGE A. MACIEL [5 April 1966]

For the Government of the People's Republic of Bulgaria, subject to acceptance
P. DOINOV [5 April 1966]

For the Government of the Union of Burma

For the Government of the Kingdom of Burundi

For the Government of the Byelorussian Soviet Socialist Republic

For the Government of the Kingdom of Cambodia

For the Government of the Federal Republic of Cameroon

For the Government of Canada, subject to Ratification
R. R. MACGILLIVRAY [5 April 1966]

For the Government of the Central African Republic

For the Government of Ceylon

For the Government of the Republic of Chad

For the Government of the Republic of Chile

For the Government of the Republic of China, subject to acceptance
TSING-CHANG LIU [5 April 1966]

For the Government of the Republic of Colombia

For the Government of the Republic of the Congo

For the Government of the Democratic Republic of the Congo

For the Government of the Republic of Costa Rica

For the Government of the Republic of Cuba

For the Government of the Republic of Cyprus

For the Government of the Czechoslovak Socialist Republic

For the Government of the Republic of Dahomey

For the Government of the Kingdom of Denmark, subject to acceptance
ANDERS BACHE
M. ROSELL [5 April 1966]

For the Government of the Dominican Republic

For the Government of the Republic of Ecuador

For the Government of the Republic of El Salvador

For the Government of the Empire of Ethiopia

For the Government of the Federal Republic of Germany, subject to acceptance
Karl Schubert [5 April 1966]

For the Government of the Republic of Finland

For the Government of the French Republic sous réserve d'approbation ultérieure
J. Morin [5 April 1966]

For the Government of the Gabonese Republic

For the Government of the Gambia

For the Government of the Republic of Ghana, subject to acceptance
Y. K. Quartey [5 April 1966]

For the Government of the Kingdom of Greece, subject to acceptance
P. Pagonis [5 April 1966]

For the Government of the Republic of Guatemala

For the Government of the Republic of Guinea

For the Government of the Republic of Haiti

For the Holy See

For the Government of the Republic of Honduras

For the Government of the Hungarian People's Republic

For the Government of the Republic of Iceland, subject to acceptance
Hjalmar R. Bardarson [5 April 1966]

For the Government of the Republic of India, subject to acceptance
NAGENDRA SINGH [5 April 1966]

For the Government of the Republic of Indonesia

For the Government of the Empire of Iran

For the Government of the Republic of Iraq

For the Government of Ireland, subject to acceptance
M. A. HAYES
R. RODGERS [5 April 1966]

For the Government of the State of Israel, subject to acceptance
P. MUENCH
D. PERRY [5 April 1966]

For the Government of the Italian Republic, sous réserve d'acceptation
NUNZIO D' ANGELO [5 April 1966]

For the Government of the Republic of the Ivory Coast, sous réserve d'approbation
S. AKE [5 April 1966]

For the Government of Jamaica

For the Government of Japan, subject to acceptance
ATSUSHI UYAMA
TERUTAKA AKUTAGAWA [5 April 1966]

For the Government of the Hashemite Kingdom of Jordan

For the Government of the Republic of Kenya

For the Government of the State of Kuwait, subject to acceptance
A. R. HUSSAIN [5 April 1966]

For the Government of the Kingdom of Laos

For the Government of the Lebanese Republic

For the Government of the Republic of Liberia, subject to acceptance
J. D. LAWRENCE
FRANCIS DENNIS

For the Government of the Kingdom of Libya

For the Government of the Principality of Liechtenstein

For the Government of the Grand Duchy of Luxembourg

For the Government of the Malagasy Republic, sous réserve d'approbation.
JULES A. RAZAFIMBAHINY
[5 April 1966]

For the Government at Malawi

For the Government of Malaysia

For the Government of the Maldive Islands

For the Government of the Republic of Mali

For the Government at Malta

For the Government of the Islamic Republic of Mauritania

For the Government of the United Mexican States

For the Government of the Principality of Monaco

For the Government of the Mongolian People's Republic

For the Government of the Kingdom of Morocco

For the Government of the Kingdom of Nepal

For the Government of the Kingdom of the Netherlands, subject to acceptance
D. W. VAN LYNDEN 4th July 1966

For the Government of New Zealand, subject to acceptance
T. L. MACDONALD 30th June 1966

For the Government of the Republic of Nicaragua

For the Government of the Republic of the Niger

For the Government of the Federal Republic of Nigeria

For the Government of the Kingdom of Norway, subject to acceptance
ARNE SKAUG July 1, 1966

For the Government of Pakistan, subject to acceptance
A. HILALY 5/4/66

For the Government of the Republic of Panama
EUSEBIO A. MORALES 5/13/66

For the Government of the Republic of Paraguay

For the Government of the Republic of Peru, ad-referendum
R. PINTO T. [5 April 1966]

For the Government of the Republic of the Philippines, subject to ratification or acceptance

TIBURCIO C. BAJA 1 July 1966

For the Government of the Polish People's Republic, subject to acceptance

J. KROSKOWSKI [5 April 1966]

For the Government of the Portuguese Republic

For the Government of the Republic of Korea, subject to acceptance

GEN. HONKON LEE [5 April 1966]

For the Government of the Republic of Viet-Nam

For the Government of the Romanian People's Republic

For the Government of the Rwandese

For the Government of the Republic of San Marino

For the Government of the Kingdom of Saudi Arabia

For the Government of the Republic of Senegal

For the Government of Sierra Leone

For the Government of Singapore

For the Government of the Somali Republic

For the Government of the Republic of South Africa, subject to acceptance

R. KENNY
E. R. BARKER
F. J. CRONJE [5 April 1966]

For the Government of the Spanish State, subject to acceptance

Santa Cruz [5 April 1966]

For the Government of the Republic of the Sudan

For the Government of the Kingdom of Sweden

For the Government of the Swiss Confederation, sous réserve d'approbation

B. de FISCHER 11 mai 1966

For the Government of the Syrian Arab Republic

For the Government of the Kingdom of Thailand

For the Government of the Togolese Republic

For the Government of Trinidad and Tobago, subject to acceptance

J. A. V. HARPER [5 April 1966]

For the Government of the Republic of Tunisia, sous réserve d'approbation

A. BADRA le 5 juillet 1966

For the Government of the Republic of Turkey

For the Government of Uganda

For the Government of the Ukrainian Soviet Socialist Republic

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For the Government of the Union of Soviet Socialist Republics, with a statement relating to Article 27(c).[1]

M. SMIRNOVSKY July 4, 1966

[1] At the time of signing the Convention, the representative of the Union of Soviet Socialist Republics made the following statement on behalf of his Government:

"The Union of the Soviet Socialist Republics states that Article 27(1) of the International Convention on Load Lines 1966, under which the Governments of a number of States are deprived of the opportunity to become Parties to this Convention, is of a discriminatory nature and believes that in accordance with the principle of sovereign equality of States the Convention should be open for participation to all the interested nations without any discrimination or limitation".

For the Government of the United Arab Republic, subject to ratification with declaration "The government of the United Arab Republic register the following reservation: Nothing in this Convention should, in any way, affect any of the rules and regulations promulgated by the Suez Canal Authority. In case of any contradiction between them the latter shall prevail."

F. RIZK [5 April 1966]

For the Government of the United Kingdom of Great Britain and Northern Ireland, subject to acceptance

GILMOUR JENKINS
BASIL EDWARD BELLAMY [5 April 1966]
R. W. BULLMORE

For the Government of the United Republic of Tanzania

For the Government of the United States of America, subject to acceptance

E. J. ROLAND [5 April 1966]
DAVID B. BANNERMAN Jr.

For the Government of the Republic of the Upper Volta

For the Government of the Eastern Republic of Uruguay

For the Government of the Republic of Venezuela, ad referendum:

MORITZ EIRIS VILLEGAS [5 April 1966]

For the Government of the Independent State of Western Samoa

For the Government of the Yemen Arab Republic

For the Government of the Socialist Federal Republic of Yugoslavia, subject to acceptance

BLAZEVIC [5 April 1966]

For the Government of the Republic of Zambia

ANNEX I—REGULATIONS FOR DETERMINING LOAD LINES

CHAPTER I. GENERAL

The Regulations assume that the nature and stowage of the cargo, ballast, etc., are such as to secure sufficient stability of the ship and the avoidance of excessive structural stress.

The Regulations also assume that where there are internationl requirements relating to stability or subdivision, these requirements have been complied with.

Regulation 1

Strength of Hull

The Administration shall satisfy itself that the general structural strength of the hull sufficient for the draught corresponding to the freeboard assigned. Ships built and maintained in conformity with the requirements of a classification society recognized by the Administration may be considered to possess adequate strength.

Regulation 2

Application

(1) Ships with mechanical means of propulsion or lighters, barges or other ships without independent means of propulsion, shall be assigned freeboards in accordance with the provisions of Regulations 1–40 inclusive of this Annex.

(2) Ships carrying timber deck cargoes may be assigned, in addition to the freeboards prescribed in paragraph (1) of this Regulation, timber freeboards in accordance with the provisions of Regulations 41–45 of this Annex.

(3) Ships designed to carry sail, whether as the sole means of propulsion or as a supplementary means, and tugs, shall be assigned freeboards in accordance with the provisions of Regulations 1–40 inclusive of this Annex. Such additional freeboard shall be required as determined by the Administration.

(4) Ships of wood or of composite construction, or of other materials the use of which the Administration has approved, or ships whose constructional features are such as to render the application of the provisions of this Annex unreasonable or impracticable, shall be assigned freebroads as determined by the Administration.

(5) Regulations 10 to 26 inclusive of this Annex shall apply to every ship to which a minimum freeboard is assigned. Relaxations from these requirements may be granted to a ship to which a greater than minimum freeboard is assigned on condition that the Administration is satisfied with the safety conditions provided.

Regulation 3

Definitions of Terms Used in The Annexes

(1) *Length.*—The length (L) shall be taken as 96 per cent of the total length on a waterline at 85 per cent of the least moulded depth measured from the top of the keel, or as the length from the foreside of the stem to the axis of the rudder stock on that waterline, if that be greater. In ships designed with a rake of keel the waterline on which this length is measured shall be parallel to the designed waterline.

(2) *Perpendiculars.*—The forward and after perpendiculars shall be taken at the forward and after ends of the length (L). The forward perpendicular shall coincide with the foreside of the stem on the waterline on which the length is measured.

(3) *Amidships.*—Amidships is at the middle of the length (L).

(4) *Breadth.*—Unless expressly provided otherwise, the breadth (B) is the maximum breadth of the ship, measured amidships to the moulded line of the frame in a ship with a metal shell and to the outer surface of the hull in a ship with a shell of any other material.

(5) *Moulded Depth*—

(a) The moulded depth is the vertical distance measured from the top of the keel to the top of the freeboard deck beam at side. In wood and composite ships the distance is measured from the lower edge of the keel rabbet. Where the form at the lower part of the midship section is of a hollow character, or where thick garboards are fitted, the distance is measured from the point where the line of the flat of the bottom continued inwards cuts the side of the keel.

(b) In ships having rounded gunwales, the moulded depth shall be measured to the point of intersection of the moulded lines of the deck and side shell plating, the lines extending as though the gunwale were of angular design.

(c) Where the freeboard deck is stepped and the raised part of the deck extends over the point at which the moulded depth is to be determined, the moulded depth shall be measured to a line of reference extending from the lower part of the deck along a line parallel with the raised part.

(6) *Depth for Freeboard (D)*—

(a) The depth for freeboard (D) is the moulded depth amidships, plus the thickness of the freeboard deck stringer plate, where fitted, plus $\frac{T(L-S)}{L}$

if the exposed freeboard deck is sheathed, where

T is the mean thickness of the exposed sheathing clear of deck openings, and

S is the total length of superstructures as defined in subparagraph (10) (d) of this Regulation.

(b) The depth for freeboard (D) in a ship having a rounded gunwale with a radius greater than 4 per cent of the breadth (B) or having topsides of unusual form is the depth for freeboard of a ship having a midship section with vertical topsides and with the same round of beam and area of topside section equal to that provided by the actual midship section.

(7) *Block Coefficient.*—The block coefficient (C_b) is given by

$$C_b = \frac{\nabla}{L.B.d_1}; \text{ where}$$

∇ is the volume of the moulded displacement of the ship, excluding bossing, in a ship with a metal shell, and is the volume of displacement to the outer surface of the hull in a ship with a shell of any other material, both taken at a moulded draught of d_1; and where

d_1 is 85 per cent of the least moulded depth.

(8) *Freeboard.*—The freeboard assigned is the distance measured vertically downwards amidships from the upper edge of the deck line to the upper edge of the related load line.

(9) *Freeboard Deck.*—The freeboard deck is normally the uppermost complete deck exposed to weather and sea, which has permanent means of closing all openings in the weather part thereof, and below which all openings in the sides of the ship are fitted with permanent means of watertight closing. In a ship having a discontinuous freeboard deck, the lowest line of the exposed deck and the continuation of that line parallel to the upper part of the deck is taken as the freeboard deck. At the option of the owner and subject to the approval of the Administration, a lower deck may be designated as the freeboard deck, provided it is a complete and permanent deck continuous in a fore and aft direction at least between the machinery space and peak bulkheads and continuous athwartships. When this lower deck is stepped the lowest line of the deck and the continuation of that line parallel to the upper part of the deck is taken as the freeboard deck.

When a lower deck is designated as the freeboard deck, that part of the hull which extends above the freeboard deck is treated as a superstructure so far as concerns the application of the conditions of assignment and the calculation of freeboard. It is from this deck that the freeboard is calculated.

(10) *Superstructure*—

(a) A superstructure is a decked structure on the freeboard deck, extending from side to side of the ship or with the side plating not being inboard of the shell plating more than 4 per cent of the breadth

(B) A raised quarter-deck is regarded as a superstructure.

(b) An enclosed superstructure is a superstructure with:

(i) enclosing bulkheads of efficient construction;

(ii) access openings, if any, in these bulkheads fitted with doors complying with the requirements of Regulation 12;

(iii) all other openings in sides or ends of the superstructure fitted with efficient weathertight means of closing.

A bridge or poop shall not be regarded as enclosed unless access is provided for the crew to reach machinery and other working spaces inside these superstructures by alternative means which are available at all times when bulkhead openings are closed.

(c) The height of a superstructure is the least vertical height measured at side from the top of the superstructure deck beams to the top of the freeboard deck beams.

(d) The length of a superstructure (S) is the mean length of the part of the superstructure which lies within the length (L).

(11) *Flush Deck Ship.*—A flush deck ship is one which has no superstructure on the freeboard deck.

(12) *Weathertight.*—Weathertight means that in any sea conditions water will not penetrate into the ship.

Regulation 4

Deck Line

The deck line is a horizontal line 300 millimetres (12 inches) in length and 25 millimetres (1 inch) in breadth. It shall be marked amidships on each side of the ship, and its upper edge shall normally pass through the point where the continuation outwards of the upper surface of the freeboard deck intersects the outer surface of the shell (as illustrated in Figure 1), provided that the deck line may be placed with reference to another fixed point on the ship on condition that the freeboard is correspondingly corrected. The location of the reference point and the identification of the freeboard deck shall in all cases be indicated on the International Load Line Certificate (1966).

Regulation 5

Load Line Mark

The Load Line Mark shall consist of a ring 300 millimetres (12 inches) in outside diameter and 25 millimetres (1 inch) wide which is intersected by a horizontal line 450 millimetres (18 inches) in length and 25 millimetres (1 inch) in breadth, the upper edge of which passes through the centre of the ring. The centre of the ring shall be placed amidships and at a distance equal to the assigned summer freeboard measured vertically below the upper edge of the deck line (as illustrated in Figure 2).

Regulation 6

Lines To Be Used With the Load Line Mark

(1) The lines which indicate the load line assigned in accordance with these Regulations shall be horizontal lines 230 millimetres (9 inches) in length and 25 millimetres (1 inch) in breadth which extend forward of, unless expressly provided otherwise, and at right angles to, a vertical line 25 millimetres (1 inch) in breadth marked at a distance 540 millimetres (21 inches) forward of the centre of the ring (as illustrated in Figure 2).

(2) The following load lines shall be used:

(a) The Summer Load Line indicated by the upper edge of the line which passes through the centre of the ring and also by a line marked S.

(b) The Winter Load Line indicated by the upper edge of a line marked W.

(c) The Winter North Atlantic Load Line indicated by the upper edge of a line marked WNA.

(d) The Tropical Load Line indicated by the upper edge of a line marked T.

(e) The Fresh Water Load Line in summer indicated by the upper edge of a line marked F. The Fresh Water Load Line in summer is marked abaft the vertical line. The difference between the Fresh Water Load Line in summer and the Summer Load Line is the allowance to be made for loading in fresh water at the other load lines.

(f) The Tropical Fresh Water Load Line indicated by the upper edge of a line marked TF, and marked abaft the vertical line.

(3) If timber freeboards are assigned in accordance with these Regulations, the timber load lines shall be marked in addition to ordinary load lines. These lines shall be horizontal lines 230 millimetres (9 inches) in length and 25 millimetres (1 inch) in breadth which extend abaft unless expressly provided otherwise, and are at right angles to, a vertical line 25 millimetres (1 inch) in breadth marked at a distance 540 millimetres (21 inches) abaft the centre of the ring (as illustrated in Figure 3).

(4) The following timber load lines shall be used:

(a) The Summer Timber Load Line indicated by the upper edge of a line marked LS.

(b) The Winter Timber Load Line indicated by the upper edge of a line marked LW.

(c) The Winter North Atlantic Timber Load Line indicated by the upper edge of a line marked LWNA.

(b) The Winter Timber Load Line indicated by the upper edge of a line marked LT.

(e) The Fresh Water Timber Load Line in summer indicated by the upper edge of a line marked LF and marked forward of the vertical line.

The difference between the Fresh Water Timber Load Line in summer and the Summer Timber Load Line is the allowance to be made for loading in fresh water at the other timber load lines.

(f) The Fresh Water Timber Load Line in the Tropical Zone indicated by the upper edge of a line marked LTF and marked forward of the vertical line.

(5) Where the characteristics of a ship or the nature of the ship's service or navigational limits make any of the seasonal lines inapplicable, these lines may be omitted.

(6) Where a ship is assigned a greater than minimum free board so that the load line is marked at a position corresponding to, or lower than, the lowest seasonal load line assigned at minimum freeboard in accordance with the present Convention, only the Fresh Water Load Line need be marked.

(7) On sailing ships only the Fresh Water Load Line and the Winter North Atlantic Load Line need be marked (as illustrated in Figure 4).

(8) Where a Winter North Atlantic Load Line is identical with the Winter Load Line corresponding to the same vertical line, this load line shall be marked W.

(9) Additional load lines required by other international conventions in force may be marked at right angles to and abaft the vertical line specified in paragraph (1) of this Regulation.

[Figures 2, 3, and 4 not reproduced in the RECORD.]

Regulation 7

Mark of Assigning Authority

The mark of the Authority by whom the load lines are assigned may be indicated alongside the load line ring above the horizontal line which passes through the centre of the ring, or above and below it. This mark shall consist of not more than four initials to identify the Authority's name, each measuring approximately 115 millimeters (4½ inches) in height and 75 millimetres (3 inches) in width.

Regulation 8

Details of Marking

The ring, lines and letters shall be painted in white or yellow on a dark ground or in black on a light ground. They shall also be permanently marked on the sides of the ships to the satisfaction of the Administration. The marks shall be plainly visible and, if necessary, special arrangements shall be made for this purpose.

Regulation 9

Verification of Marks

The International Load Line Certificate (1966) shall not be delivered to the ship until the officer or surveyor acting under the provisions of Article 13 of the present Convention has certified that the marks are correctly and permanently indicated on the ship's sides.

CHAPTER II. CONDITIONS OF ASSIGNMENT OF FREEBOARD

Regulation 10

Information to be Supplied to the Master

(1) The master of every new ship shall be supplied with sufficient information, in an approved form, to enable him to arrange for the loading and ballasting of his ship in such a way as to avoid the creation of any unacceptable stresses in the ship's structure, provided that this requirement need not apply to any particular length, design or class of ship where the Administration considers it to be unnecessary.

(2) The master of every new ship which is not already provided with stability information under an international convention for the safety of life at sea in force shall be supplied with sufficient information in an approved form to give him guidance as to the stability of the ship under varying conditions of service, and a copy shall be furnished to the Administration.

Regulation 11

Superstructure End Bulkheads

Bulkheads at exposed ends of enclosed superstructures shall be of efficient construction and shall be to the satisfaction of the Administration.

Regulation 12

Doors

(1) All access openings in bulkheads at ends of enclosed superstructures shall be fitted with doors of steel or other equivalent material, permanently and strongly attached to the bulkhead, and framed, stiffened and fitted so that the whole structure is of equivalent strength to the unpierced bulkhead and weathertight when closed. The means for securing these doors weathertight shall consist of gaskets and clamping devices or other equivalent means and shall be permanently attached to the bulkhead or to the doors themselves, and the doors shall be so arranged that they can be operated from both sides of the bulkhead.

(2) Except as otherwise provided in these Regulations, the height of the sills of access openings in bulkheads at ends of enclosed superstructures shall be at least 380 millimetres (15 inches) above the deck.

Regulation 13

Position of Hatchways, Doorways and Ventilators

For the purpose of the Regulations, two positions of hatchways, doorways and ventilators are defined as follows:

Position 1: Upon exposed freeboard and raised quarter decks, and upon exposed superstructure decks situated forward of a point located a quarter of the ship's length from the forward perpendicular.

Position 2: Upon exposed superstructure decks situated abaft a quarter of the ship's length from the forward perpendicular.

Regulation 14

Cargo and Other Hatchways

(1) The construction and the means for securing the weathertightness of cargo and other hatchways in positions 1 and 2 shall be at least equivalent to the requirements of Regulations 15 and 16 of this Annex.

(2) Coamings and hatchway covers to exposed hatchways on decks above the superstructure deck shall comply with the requirements of the Administration.

Regulation 15

Hatchways Closed by Portable Covers and Secured Weathertight by Tarpaulins and Battening Devices

Hatchway coamings

(1) The coamings of hatchways closed by portable covers secured weathertight by tarpaulins and battening devices shall be of substantial construction, and their height above the deck shall be at least as follows:

600 millimetres (23½ inches) if in position 1.

450 millimetres (17½ inches) if in position 2.

Hatchway covers

(2) The width of each bearing surface for hatchway covers shall be at least 65 millimetres (2½ inches).

(3) Where covers are made of wood, the finished thickness shall be at least 60 millimetres (2⅜ inches) in association with a span of not more than 1.5 metres (4.9 feet).

(4) Where covers are made of mild steel the strength shall be calculated with assumed loads not less than 1.75 metric tons per square metre (358 pounds per square foot) on hatchways in position 1, and not less than 1.30 metric tons per square metre (266 pounds per square foot) or hatchways in position 2, and the product of the maximum stress thus calculated and the factor 4.25 shall not exceed the minimum ultimate strength of the material. They shall be so designed as to limit the deflection to not more than 0.0028 times the span under these loads.

(5) The assumed loads on hatchways in position 1 may be reduced to 1 metric ton per square metre (205 pounds per square foot) for ships 24 metres (79 feet) in length and shall be not less than 1.75 metric tons per square metre (358 pounds per square foot) for ships 100 metres (328 feet) in length. The corresponding loads on hatchways in position 2 may be reduced to 0.75 metric tons per square metre (154 pounds per square foot) and 1.30 metric tons per square metre (266 uounds per square foot) respectively. In all cases values at intermdiate lengths shall be obtained by interpolation

Portable beams

(6) Where portable beams for supporting hatchway covers are made of mild steel the strength shall be calculated with assumed loads not less than 1.75 metric tons per square metre (358 pounds per square foot) on hatchways in position 1 and not less than 1.30 metric tons per square metre (266 pounds per square foot) on hatchways in position 2 and the product of the maximum stress thus calculated and the factor 5 shall not exceed the minimum ultimate strength of the material. They shall be so designed as to limit the deflection to not more than 0.0022 times the span under these loads. For ships of not more than 100 metres (328 feet) in length the requirements of paragraph (5) of this Regulation shall be applicable.

Pontoon covers

(7) Where pontoon covers used in place of portable beams and covers are made of mild steel the strength shall be calculated with the assumed loads given in paragraph (4) of this Regulation, and the product of the maximum stress thus calculated and the factor 5 shall not exceed the minimum ultimate strength of the material. They shall be so designed as to limit the deflection to not more than 0.0022 times the span. Mild steel plating forming the tops of covers shall be not less in thickness than one per cent of the spacing of stiffeners of 6 millimetres (0.24 inches) if that be greater. For ships of not more than 100 metres (328 feet) in length the requirements of paragraph (5) of this Regulation are applicable.

(8) The strength and stiffness of covers made of materials other than mild steel shall be equivalent to those of mild steel to the satisfaction of the Administration.

Carriers or sockets

(9) Carriers or sockets for portable beams shall be of substantial construction, and shall provide means for the efficient fitting and securing of the beams. Where rolling types of beams are used, the arrangements shall ensure that the beams remain properly in position when the hatchway is closed.

Cleats

(10) Cleats shall be set to fit the taper of the wedges. They shall be at least 65 millimetres (2½ inches) wide and spaced not more than 600 millimetres (23½ inches) centre to centre; the cleats along each side or end shall be not more than 150 millimetres (6 inches) from the hatch corners.

Battens and wedges

(11) Battens and wedges shall be efficient and in good condition. Wedges shall be of tough wood or other equivalent material. They shall have a taper of not more than 1 in 6 and shall be not less than 13 millimetres (½ inch) thick at the toes.

Tarpaulins

(12) At least two layers of tarpaulin in good condition shall be provided for each hatchway in position 1 or 2. The tarpaulins shall be waterproof and of ample strength. They shall be of a material of at least an approved standard weight and quality.

Security of hatchway covers

(13) For all hatchways in position 1 or 2 steel bars or other equivalent means shall be provided in order efficiently and independently to secure each section of hatchway covers after the tarpaulins are battened down. Hatchway covers of more than 1.5 metres (4.9 feet) in length shall be secured by at least two such securing appliances.

Regulation 16

Hatchways Closed by Weathertight Covers of Steel or Other Equivalent Material Fitted With Gaskets and Clamping Devices

Hatchway coamings

(1) At positions 1 and 2 the height above the deck of hatchway coamings fitted with weathertight hatch covers of steel or other equivalent material fitted with gaskets and clamping devices shall be as specified in Regulation 15(1). The height of these coamings may be reduced, or the coamings omitted entirely, on condition that the Administration is satisfied that the safety of the ship is not thereby impaired in any *sea* conditions. Where coamings are provided they shall be of substantial construction.

Weathertight covers

(2) Where weathertight covers are of mild steel the strength shall be calculated with assumed loads not less than 1.75 metric tons per square metre (358 pounds per square foot) on hatchways in position 1, and not less than 1.30 metric tons per square metre (266 pounds per square foot) on hatchways in position 2, and the product of the maximum stress thus calculated and the factor of 4.25 shall not exceed the minimum ultimate strength of the material. They shall be so designed as to limit the deflection to not more than 0.0028 times the span under these loads. Mild steel plating forming the tops of covers shall be not less in thickness than one per cent of the spacing of stiffeners or 6 millimetres (0.24 inches) if that be greater. The provisions of Regulation 15(5) are applicable for ships of not more than 100 metres (328 feet) in length.

(3) The strength and stiffness of covers made of materials other than mild steel shall be equivalent to those of mild steel to the satisfaction of the Administration.

Means for securing weathertightness

(4) The means for securing and maintaining weathertightness shall be to the satisfaction of the Administration. The arrangements shall ensure that the tightness can be maintained in any sea conditions, and for this purpose tests for tightness shall be required at the initial survey, and may be required at periodical surveys and at annual inspections or at more frequent intervals.

Regulation 17

Machinery Space Openings

(1) Machinery space openings in position 1 or 2 shall be properly framed and efficiently enclosed by steel casings of ample strength, and where the casings are not protected by other structures their strength shall be specially considered. Access openings in such casings shall be fitted with doors complying with the requirements of Regulation 12(1), the sills of which shall be at least 600 millimetres (23½ inches) above the deck if in position 1, and at least 380 millimetres (15 inches) above the deck if in position 2. Other openings in such casings shall be fitted with equivalent covers, permanently attached in their proper positions.

(2) Coamings of any fiddley, funnel, or machinery space ventilator in an exposed position on the freeboard or superstructure deck shall be as high above the deck as is reasonable and practicable. Fiddley openings shall be fitted with strong covers of steel or other equivalent material permanently attached in their proper positions and capable of being secured weathertight.

Regulation 18

Miscellaneous Openings in Freeboard and Superstructure Decks

(1) Manholes and flush scuttles in position 1 or 2 or within superstructures other than enclosed superstructures shall be closed by substantial covers capable of being made watertight. Unless secured by closely spaced bolts, the covers shall be permanently attached.

(2) Openings in freeboard decks other than hatchways, machinery space openings, manholes and flush scuttles shall be protected by an enclosed superstructure, or by a deckhouse or companionway of equivalent strength and weathertightness. Any such opening in an exposed superstructure deck or in the top of a deckhouse on the freeboard deck which gives access to a space below the freeboard deck or a space within an enclosed superstructure shall be protected by an efficient deckhouse or companionway. Doorways in such deckhouses or companionways shall be fitted with doors complying with the requirements of Regulation 12(1).

(3) In position 1 the height above the deck of sills to the doorways in companionways shall be at least 600 millimetres (23½ inches). In position 2 they shall be at least 380 millimetres (15 inches).

Regulation 19

Ventilators

(1) Ventilators in position 1 or 2 to spaces below freeboard decks or decks of enclosed superstructures shall have coamings of steel or other equivalent material, substantially constructed and efficiently connected to the deck. Where the coaming of any ventilator exceeds 900 millimetres (35½ inches) in height it shall be specially supported.

(2) Ventilators passing through superstructures other than enclosed superstructures shall have substantially constructed coamings of steel or other equivalent material at the freeboard deck.

(3) Ventilators in position 1 the coamings of which extend to more than 4.5 metres (14.8 feet) above the deck and in position 2 the coamings of which extend to more than 2.3 metres (7.5 feet) above the deck, need not be fitted with closing arrangements unless specifically required by the Administration.

(4) Except as provided in paragraph (3) of this Regulation, ventilator openings shall be provided with efficient weathertight closing appliances. In ships of not more than 100 metres (328 feet) in length the closing appliances shall be permanently attached; where not so provided in other ships, they shall be conveniently stowed near the ventilators to which they are to be fitted. Ventilators in position 1 shall have coamings of a height of at least 900 millimetres (35½ inches) above the deck; in position 2 the coamings shall be of a height at least 760 millimetres (30 inches) above the deck.

(5) In exposed positions, the height of coamings may be required to be increased to the satisfaction of the Administration.

Regulation 20

Air Pipes

Where air pipes to ballast and other tanks extend above the freeboard or superstructure decks, the exposed parts of the pipes shall be of substantial construction; the height from the deck to the point where water may have access below shall be at least 760 millimetres (30 inches) on the freeboard deck and 450 millimetres (17½ inches) on the superstructure deck. Where these heights may interfere with the working of the ship, a lower height may be approved, provided the Administration is satisfied that the closing arrangements and other circumstances justify a lower height. Satisfactory means permanently attached, shall be provided for closing the openings of the air pipes.

Regulation 21

Cargo Ports and Other Similar Openings

(1) Cargo ports and other similar openings in the sides of ships below the freeboard deck shall be fitted with doors so designed as to ensure watertightness and structural integrity commensurate with the surrounding shell plating. The number of such openings shall be the minimum compatible with the design and proper working of the ship.

(2) Unless permitted by the Administration, the lower edge of such openings shall not be below a line drawn parallel to the freeboard deck at side, which has at its lowest point the upper edge of the uppermost load line.

Regulation 22

Scuppers, Inlets and Discharges

(1) Discharges led through the shell either from spaces below the freeboard deck or from within superstructures and deckhouses on the freeboard deck fitted with doors complying with the requirements of Regulation 12 shall be fitted with efficient and accessible means for preventing water from passing inboard. Normally each separate discharge shall have one automatic non-return valve with a positive means of closing it from a position above the freeboard deck. Where, however, the vertical distance from the summer load waterline to the inboard end of the discharge pipe exceeds 0.01 L, the discharge may have two automatic non-return valves without positive means of closing, provided that the inboard valve is always accessible for examination under service conditions; where that vertical distance exceeds 0.02 L a single automatic non-return valve without positive means of closing may be accepted subject to the approval of the Administration. The means for operating the positive action valve shall be readily accessible and provided with an indicator showing whether the valve is open or closed.

(2) In manned machinery spaces main and auxiliary sea inlets and discharges in connexion with the operation of machinery may be controlled locally. The controls shall be readily accessible and shall be provided with indicators showing whether the valves are open or closed.

(3) Scuppers and discharge pipes originating at any level and penetrating the shell either more than 450 millimetres (17½ inches) below the freeboard deck or less than 600 millimetres (23½ inches) above the summer load waterline shall be provided with a nonreturn valve at the shell. This valve, unless required by paragraph (1), may be omitted if the piping is of substantial thickness.

(4) Scuppers leading from superstructures or deckhouses not fitted with doors complying with the requirements of Regulation 12 shall be led overboard.

(5) All valves and shell fittings required by this Regulation shall be of steel, bronze or other approved ductile material. Valves of ordinary cast iron or similar material are not acceptable. All pipes to which this Regulation refers shall be of steel or other equivalent material to the satisfaction of the Administration.

Regulation 23

Side Scuttles

(1) Side scuttles to spaces below the freeboard deck or to spaces within enclosed superstructures shall be fitted with efficient hinged inside deadlights arranged so that they can be effectively closed and secured watertight.

(2) No side scuttle shall be fitted in a position so that its sill is below a line drawn parallel to the freeboard deck at side and having its lowest point 2.5 per cent of the breadth (B) above the load waterline, or 500 millimetres (19½ inches), whichever is the greater distance.

(3) The side scuttles, together with their glasses, if fitted, and deadlights, shall be of substantial and approved construction.

Regulation 24

Freeing Ports

(1) Where bulwarks on the weather portions of freeboard or superstructure decks form wells, ample provision shall be made for rapidly freeing the decks of water and for draining them. Except as provided in paragraphs (2) and (3) of this Regulation, the minimum freeing port area (A) on each side of the ship for each well on the freeboard deck shall be that given by the following formulae in cases where the sheer in way of the well is standard or greater than standard. The minimum area for each well on superstructure decks shall be one-half of the area given by the formulae.

Where the length of bulwark (l) in the well is 20 metres or less

$$A = 0.7 + 0.035l \text{ (square metres)}$$

Where l exceeds 20 metres

$$A = 0.07l \text{ (square metres)}$$

l need in no case be taken as greater than 0.7 L.

If the bulwark is more than 1.2 metres in average height the required area shall be increased by 0.004 square metre per metre of length of well for each 0.1 metre difference in height. If the bulwark is less than 0.9 metre in average height, the required area may be decreased by 0.004 square metre per metre of length of well for each 0.1 metre difference in height.

Or,

Where the length of bulwark (l) in the well is 66 feet or less

$$A = 7.6 + 0.115l \text{ (square feet)}$$

Where l exceeds 66 feet

$$A = 0.23l \text{ (square feet)}$$

l need in no case be taken as greater than 0.7 L.

If the bulwark is more than 3.9 feet in average height the required area shall be increased by 0.04 square feet per foot of length of well for each foot difference in height. If the bulwark is less than 3 feet in average height, the required area may be decreased by 0.04 square feet per foot of length for each foot difference in height.

(2) In ships with no sheer the calculated area shall be increased by 50 per cent. Where the sheer is less than the standard the percentage shall be obtained by interpolation.

(3) Where a ship is fitted with a trunk which does not comply with the requirements of Regulation 36(1)(e) or where continuous or substantially continuous hatchway side coamings are fitted between detached superstructures the minimum area of

the freeing port openings shall be calculated from the following Table:

Breadth of hatchway or trunk in relation to the breadth of ship	Area of freeing ports in relation to the total area of the bulwarks
40% or less	20%
75% or more	10%

The area of freeing ports at intermediate breadths shall be obtained by linear interpolation.

(4) In ships having superstructures which are open at either or both ends, adequate provision for freeing the space within such superstructures shall be provided to the satisfaction of the Administration.

(5) The lower edges of the freeing ports shall be as near the deck as practicable. Two-thirds of the freeing port area required shall be provided in the half of the well nearest the lowest point of the sheer curve.

(6) All such openings in the bulwarks shall be protected by rails or bars spaced approximately 230 millimetres (9 inches) apart. If shutters are fitted to freeing ports, ample clearance shall be provided to prevent jamming. Hinges shall have pins or bearings of noncorrodible material. If shutters are fitted with securing appliances, these appliances shall be of approved construction.

Regulation 25

Protection of the Crew

(1) The strength of the deckhouses used for the accommodation of the crew shall be to the satisfaction of the Administration.

(2) Efficient guard rails or bulwarks shall be fitted on all exposed parts of the freeboard and superstructure decks. The height of the bulwarks or guard rails shall be at least 1 metre (39½ inches) from the deck, provided that where this height would interfere with the normal operation of the ship, a lesser height may be approved if the Administration is satisfied that adequate protection is provided.

(3) The opening below the lowest course of the guard rails shall not exceed 230 millimetres (9 inches). The other courses shall be not more than 380 millimetres (15 inches) apart. In the case of ships with rounded gunwales the guard rail supports shall be placed on the flat of the deck.

(4) Satisfactory means (in the form of guard rails, life lines, gangways or underdeck passages etc.) shall be provided for the protection of the crew in getting to and from their quarters, the machinery space and all other parts used in the necessary work of the ship.

(5) Deck cargo carried on any ship shall be so stowed that any opening which is in way of the cargo and which gives access to and from the crew's quarters, the machinery space and all other parts used in the necessary work of the ship, can be properly closed and secured against the admission of water. Effective protection for the crew in the form of guard rails or life lines shall be provided above the deck cargo if there is no convenient passage on or below the deck of the ship.

Regulation 26

Special Conditions of Assignment for Type "A" Ships

Machinery casings

(1) Machinery casings on Type "A" ships as defined in Regulation 27 shall be protected by an enclosed poop or bridge of at least standard height, or by a deckhouse of equal height and equivalent strength, provided that machinery casings may be exposed if there are no openings giving direct access from the freeboard deck to the machinery space. A door complying with the requirements of Regulation 12 may, however, be permitted in the machinery casing, provided that it leads to a space or passageway which is as strongly constructed as the casing and is separated from the stairway to the engine room by a second weathertight door of steel or other equivalent material.

Gangway and access

(2) An efficiently constructed fore and aft permanent gangway of sufficient strength shall be fitted on Type "A" ships at the level of the superstructure deck between the poop and the midship bridge or deckhouse where fitted, or equivalent means of access shall be provided to carry out the purpose of the gangway, such as passages below deck. Elsewhere, and on Type "A" ships without a midship bridge, arrangements to the satisfaction of the Administration shall be provided to safeguard the crew in reaching all parts used in the necessary work of the ship.

(3) Safe and satisfactory access from the gangway level shall be available between separate crew accommodations and also between crew accommodations and the machinery space.

Hatchways

(4) Exposed hatchways on the freeboard and forecastle decks or on the tops of expansion trunks on Type "A" ships shall be provided with efficient watertight covers of steel or other equivalent material.

Freeing arrangements

(5) Type "A" ships with bulwarks shall have open rails fitted for at least half the length of the exposed parts of the weather deck or other effective freeing arrangements. The upper edge of the sheer strake shall be kept as low as practicable.

(6) Where superstructures are connected by trunks, open rails shall be fitted for the whole length of the exposed parts of the freeboard deck.

CHAPTER III. FREEBOARDS

Regulation 27

Types of Ships

(1) For the purposes of freeboard computation ships shall be divided into Type "A" and Type "B".

Type "A" ships

(2) A type "A" ship is one which is designed to carry only liquid cargoes in bulk, and in which cargo tanks have only small access openings closed by watertight gasketed covers of steel or equivalent material. Such a ship necessarily has the following inherent features:

(a) high integrity of the exposed deck; and

(b) high degree of safety against flooding, resulting from the low permeability of loaded cargo spaces and the degree of subdivision usually provided.

(3) A type "A" ship, if over 150 metres (492 feet) in length, and designed to have empty compartments when loaded to her summer load waterline, shall be able to withstand the flooding of any one of these empty compartments at an assumed permeability of 0.95, and remain afloat in a condition of equilibrium considered to be satisfactory by the Administration. In such a ship, over 225 metres (738 feet) in length, the machinery space shall be treated as a floodable compartment but with a permeability of 0.85.

For the guidance of Administrations the following limits may be regarded as satisfactory:

(a) The final waterline after flooding is below the lower edge of any opening through which progressive flooding may take place.

(b) The maximum angle of heel due to unsymmetrical flooding is of the order of 15°.

(c) The metacentric height in the flooded condition is positive.

(4) A Type "A" ship shall be assigned a freeboard not less than that based on Table A of Regulation 28.

Type "B" ships

(5) All ships which do not come within the provisions regarding Type "A" ships in paragraphs (2) and (3) of this Regulation shall be considered as Type "B" ships.

(6) Type "B" ships, which in position 1 have hatchways fitted with hatch covers complying with the requirements of Regulations 15(7) or 16 shall, except as provided in paragraphs (7) to (10) inclusive of this Regulation, be assigned freeboards based on Table B of Regulation 28.

(7) Any Type "B" ships of over 100 metres (328 feet) in length may be assigned freeboards less than those required under paragraph (6) of this Regulation provided that, in relation to the amount of reduction granted, the Administration is satisfied that:

(a) the measures provided for the protection of the crew are adequate;

(b) the freeing arrangements are adequate;

(c) the covers in positions 1 and 2 comply with the provisions of Regulation 16 and have adequate strength; special care being given to their sealing and securing arrangements;

(d) the ship, when loaded to her summer load waterline, will remain afloat in a satisfactory condition of equilibrium after flooding of any single damaged compartment at an assumed permeability of 0.95 excluding the machinery space; and

(e) in such a ship, over 225 metres (738 feet) in length, the machinery space shall be treated as a floodable compartment but with a permeability of 0.85.

For the guidance of Administrations in applying sub-paragraphs (d) and (e) of this paragraph the limits given in sub-paragraphs (3)(a), (b) and (c) may be regarded as satisfactory.

The relevant calculations may be based upon the following main assumptions:

the vertical extent of damage is equal to the depth of the ship;

the penetration of damage is not more than B/5;

no main transverse bulkhead is damaged;

the height of the centre of gravity above the base line is assessed allowing for homogeneous loading of cargo holds, and for 50 per cent of the designed capacity of consumable fluids and stores, etc.

(8) In calculating the freeboards for Type "B" ships which comply with the requirements of paragraph (7) of this Regulation, the values from Table B of Regulation 28 shall not be reduced by more than 60 per cent of the difference between the "B" and "A" tabular values for the appropriate ship lengths.

(9) The reduction in tabular freeboard allowed under paragraph (8) of this Regulation may be increased up to the total difference between the values in Table A and those in Table B of Regulation 28 on condition that the ship complies with the requirements of Regulation 26 (1), (2), (3), (5) and (6), as if it were a Type "A" ship, and further complies with the provisions of paragraph 7(a) to (d) inclusive of this Regulation except that the reference in subparagraph (d) to the flooding of any single damaged compartment shall be treated as a reference to the flooding of any two adjacent fore and aft compartments, neither of which is the machinery space. Also any such ship of over 225 metres (738 feet) in length, when loaded to her summer load waterline, shall remain afloat in a satisfactory condition of equilibrium after flooding of the machinery space, taken alone, at an assumed permeability of 0.85.

(10) Type "B" ships, which in position 1 have hatchways fitted with hatch covers which comply with the requirements of Regulation 15, other than paragraph (7), shall be assigned freeboards based upon the values given in Table B of Regulation 28 increased by the values given in the following table:

Freeboard increases over tabular freeboard for type B ships, for ships with hatch covers not complying with regulations 15(7) or 16

Length of ship	Freeboard increase	Length of ship	Freeboard increase	Length of ship	Freeboard increase
Meters	*Millimeters*	*Meters*	*Millimeters*	*Meters*	*Millimeters*
108 and below	50	139	175	170	290
109	52	140	181	171	292
110	55	141	186	172	294
111	57	142	191	173	197
112	59	143	196	174	299
113	62	144	201	175	301
114	64	145	206	176	304
115	68	146	210	177	306
116	70	147	215	178	308
117	73	148	219	179	311
118	76	149	224	180	313
119	80	150	228	181	315
120	84	151	232	182	318
121	87	152	236	183	320
122	91	153	240	184	322
123	95	154	244	185	325
124	99	155	247	186	327
125	103	156	251	187	329
126	108	157	254	188	332
127	112	158	258	189	334
128	116	159	261	190	336
129	121	160	264	191	339
130	126	161	267	192	341
131	131	162	270	193	343
132	136	163	273	194	346
133	142	164	275	195	348
134	147	165	278	196	350
135	153	166	280	197	353
136	159	167	283	198	355
137	164	168	285	199	357
138	170	169	287	200	358

NOTE.—Freeboards at intermediate lengths of ship shall be obtained by linear interpolation. Ships above 200 meters in length shall be dealt with by the Administrations.

Freeboard increase over tabular freeboard for type B ships, for ships with hatch covers not complying with regulations 15(7) or 16

Length of ship	Freeboard increase	Length of ship	Freeboard increase
Feet	*Inches*	*Feet*	*Inches*
350 and below	2.0	510	9.6
360	2.3	520	10.0
370	2.6	530	10.4
380	2.9	540	10.7
390	3.3	550	11.0
400	3.7	560	11.4
410	4.2	570	11.8
420	4.7	580	12.1
430	5.2	590	12.5
440	5.8	600	12.8
450	6.4	610	13.1
460	7.0	620	13.4
470	7.6	630	13.6
480	8.2	640	13.9
490	8.7	650	14.1
500	9.2	660	14.3

Freeboards at intermediate lengths of ship shall be obtained by linear interpolation.

Ships above 660 feet in length shall be dealt with by the Administrations.

(11) A lighter, barge or other ship without independent means of propulsion shall be assigned a freeboard in accordance with the provisions of these Regulations. However, in the case of barges which are unmanned the requirements of Regulations 25, 26 (2) and (3) and 39 shall not apply. Such unmanned barges which have on the freeboard deck only small access openings closed by weathertight gasketed covers of steel or equivalent material may be assigned freeboards 25 per cent less than those calculated in accordance with these Regulations.

Regulation 28

Freeboard Tables

Type "A" ships

(1) The tabular freeboard for Type "A" ships shall be determined from the following table:

TABLE A.—*Freeboard table for type A ships*

Length of ship	Freeboard	Length of ship	Freeboard	Length of ship	Freeboard
Meters	*Millimeters*	*Meters*	*Millimeters*	*Meters*	*Millimeters*
24	200	59	559	94	1,044
25	208	60	573	95	1,059
26	217	61	587	96	1,074
27	225	62	600	97	1,089
28	233	63	613	98	1,105
29	242	64	626	99	1,120
30	250	65	639	100	1,135
31	258	66	653	101	1,151
32	267	67	666	102	1,166
33	275	68	680	103	1,181
34	283	69	693	104	1,196
35	292	70	706	105	1,212
36	300	71	720	106	1,228
37	308	72	733	107	1,244
38	316	73	746	108	1,260
39	325	74	760	109	1,276
40	334	75	773	110	1,293
41	344	76	786	111	1,309
42	354	77	800	112	1,326
43	364	78	814	113	1,342
44	374	79	828	114	1,359
45	385	80	841	115	1,376
46	396	81	855	116	1,392
47	408	82	869	117	1,409
48	420	83	883	118	1,426
49	432	84	897	119	1,442
50	443	85	911	120	1,459
51	455	86	926	121	1,476
52	467	87	940	122	1,494
53	478	88	955	123	1,511
54	490	89	969	124	1,528
55	503	90	984	125	1,546
56	516	91	999	126	1,563
57	530	92	1,014	127	1,580
58	544	93	1,029	128	1,598
129	1,615	174	2,320	219	2,784
130	1,632	175	2,332	220	2,792
131	1,650	176	2,345	221	2,801
132	1,667	177	2,357	222	2,809
133	1,684	178	2,369	223	2,817
134	1,702	179	2,381	224	2,825
135	1,719	180	2,393	225	2,833
136	1,736	181	2,405	226	2,841
137	1,753	182	2,416	227	2,489
138	1,770	183	2,428	228	2,857
139	1,787	184	2,440	229	2,865
140	1,803	185	2,451	230	2,872
141	1,820	186	2,463	231	2,880
142	1,837	187	2,474	232	2,888
143	1,853	188	2,486	233	2,895
144	1,870	189	2,497	234	2,903
145	1,886	190	2,508	235	2,910
146	1,903	191	2,519	236	2,918
147	1,919	192	2,530	237	2,925
148	1,935	193	2,541	238	2,932
149	1,952	194	2,552	239	2,939
150	1,968	195	2,562	240	2,946
151	1,984	196	2,572	241	2,953
152	2,000	197	2,582	242	2,959
153	2,016	198	2,592	243	2,966
154	2,032	199	2,602	244	2,973
155	2,048	200	2,612	245	2,979
156	2,064	201	2,622	246	2,986
157	2,080	202	2,632	247	2,993
158	2,096	203	2,641	248	3,000
159	2,111	204	2,650	249	3,006
160	2,126	205	2,659	250	3,012
161	2,141	206	2,669	251	3,018
162	2,155	207	2,678	252	3,024
163	2,169	208	2,687	253	3,030
164	2,184	209	2,696	254	3,036
165	2,198	210	2,705	255	3,042
166	2,212	211	2,714	256	3,048
167	2,226	212	2,723	257	3,054
168	2,240	213	2,732	258	3,060
169	2,254	214	2,741	259	3,066
170	2,268	215	2,749	260	3,072
171	2,281	216	2,758	261	3,078
172	2,294	217	2,767	262	3,084
173	2,307	218	2,775	263	3,089
264	3,095	298	3,254	332	3,363
265	3,101	299	3,258	333	3,366
266	3,106	300	3,262	334	3,368
267	3,112	301	3,266	335	3,371
268	3,117	302	3,270	336	3,373
269	3,123	303	3,274	337	3,375
270	3,128	304	3,278	338	3,378
271	3,133	305	3,281	339	3,380
272	3,138	306	3,285	340	3,382
273	3,143	307	3,288	341	3,385
274	3,148	308	3,292	342	3,387
275	3,153	309	3,295	343	3,389
276	3,158	310	3,298	344	3,392
277	3,163	311	3,302	345	3,394
278	3,167	312	3,305	346	3,396
279	3,172	313	3,308	347	3,399
280	3,176	314	3,312	348	3,401
281	3,181	315	3,315	349	3,403
282	3,185	316	3,318	350	3,406
283	3,189	317	3,322	351	3,408
284	3,194	318	3,325	352	3,410
285	3,198	319	3,328	353	3,412
286	3,202	320	3,331	354	3,414

TABLE A.—*Freeboard table for type A ships*—Continued

Length of ship	Freeboard	Length of ship	Freeboard	Length of ship	Freeboard
Meters	*Millimeters*	*Meters*	*Millimeters*	*Meters*	*Millimeters*
287	3,207	321	3,334	355	3,416
288	3,211	322	3,337	356	3,418
289	3,215	323	3,339	357	3,420
290	3,220	324	3,342	358	3,422
291	3,224	325	3,345	359	3,423
292	3,228	326	3,347	360	3,425
293	3,233	327	3,350	361	3,427
294	3,237	328	3,353	362	3,428
295	3,241	329	3,355	363	3,430
296	3,246	330	3,358	364	3,432
297	3,250	331	3,361	365	3,433

Freeboards at intermediate lengths of ship shall be obtained by linear interpolation.

Ships above 365 metres in length shall be dealt with by the Administrations.

TABLE A.—*Freeboard table for type A ships*

Length of ship	Freeboard	Length of ship	Freeboard	Length of ship	Freeboard
Feet	*Inches*	*Feet*	*Inches*	*Feet*	*Inches*
80	8.0	460	71.1	840	120.1
90	8.9	470	73.1	850	120.7
100	9.8	480	75.1	860	121.4
110	10.8	490	77.1	870	122.1
120	11.9	500	79.0	880	122.7
130	13.0	510	80.9	890	123.4
140	14.2	520	82.7	900	124.0
150	15.5	530	84.5	910	124.6
160	16.9	540	86.3	920	125.2
170	18.3	550	88.0	930	125.7
180	19.8	560	89.6	940	126.2
190	21.3	570	91.1	950	126.7
200	22.9	580	92.6	960	127.2
210	24.5	590	94.1	970	127.7
220	26.2	600	95.5	980	128.1
230	27.8	610	96.9	990	128.6
240	29.5	620	98.3	1,000	129.0
250	31.1	630	99.6	1,010	129.4
260	32.8	640	100.9	1,020	129.9
270	34.6	650	102.1	1,030	130.3
280	36.3	660	103.3	1,040	130.7
290	38.0	670	104.4	1,050	131.0
300	39.7	680	105.5	1,060	131.4
310	41.4	690	106.6	1,070	131.7
320	43.2	700	107.7	1,080	132.0
330	45.0	710	108.7	1,090	132.3
340	46.9	720	109.7	1,100	132.6
350	48.8	730	110.7	1,110	132.9
360	50.7	740	111.7	1,120	133.2
370	52.7	750	112.6	1,130	133.5
380	54.7	760	113.5	1,140	133.8
390	56.8	770	114.4	1,150	134.0
400	58.8	780	115.3	1,160	134.3
410	60.9	790	116.1	1,170	134.5
420	62.9	800	117.0	1,180	134.7
430	65.0	810	117.8	1,190	135.0
440	67.0	820	118.6	1,200	135.2
450	69.1	830	119.3	-------	-------

Freeboards at intermediate lengths of ship shall be obtained by linear interpolation.

Ships above 1200 feet in length shall be dealt with by the Administrations.

Type "B" ships

(2) The tabular freeboard for Type "B" ships shall be determined from the following table:

TABLE B.—*Freeboard table for type B ships*

Length of ship	Freeboard	Length of ship	Freeboard	Length of ship	Freeboard
Meters	*Millimeters*	*Meters*	*Millimeters*	*Meters*	*Millimeters*
24	200	59	559	94	1,154
25	208	60	573	95	1,172
26	217	61	587	96	1,190
27	225	62	601	97	1,209
28	233	63	615	98	1,229
29	242	64	629	99	1,250
30	250	65	644	100	1,271
31	258	66	659	101	1,293
32	267	67	674	102	1,315
33	275	68	689	103	1,337
34	283	69	705	104	1,359
35	292	70	721	105	1,380
36	300	71	738	106	1,401
37	308	72	754	107	1,421
38	316	73	769	108	1,440

TABLE B.—*Freeboard table for type B ships*—Continued

Length of ship	Freeboard	Length of ship	Freeboard	Length of ship	Freeboard
Meters	*Millimeters*	*Meters*	*Millimeters*	*Meters*	*Millimeters*
39	325	74	784	109	1,459
40	334	75	800	110	1,479
41	344	76	816	111	1,500
42	354	77	833	112	1,521
43	364	78	850	113	1,543
44	374	79	868	114	1,565
45	385	80	887	115	1,587
46	396	81	905	116	1,609
47	408	82	923	117	1,630
48	420	83	942	118	1,651
49	432	84	960	119	1,671
50	443	85	978	120	1,690
51	455	86	996	121	1,709
52	467	87	1,015	122	1,729
53	478	88	1,034	123	1,750
54	490	89	1,054	124	1,771
55	503	90	1,075	125	1,793
56	516	91	1,096	126	1,815
57	530	92	1,116	127	1,837
58	544	93	1,135	128	1,859
129	1,880	174	2,795	219	3,570
130	1,901	175	2,815	220	3,586
131	1,921	176	2,835	221	3,601
132	1,940	177	2,855	222	3,615
133	1,959	178	2,875	223	3,630
134	1,979	179	2,895	224	3,645
135	2,000	180	2,915	225	3,660
136	2,021	181	2,933	226	3,675
137	2,043	182	2,952	227	3,690
138	2,065	183	2,970	228	3,705
139	2,087	184	2,988	229	3,720
140	2,109	185	3,007	230	3,735
141	2,130	186	3,025	231	3,750
142	2,151	187	3,044	232	3,765
143	2,171	188	3,062	233	3,780
144	2,190	189	3,080	234	3,795
145	2,209	190	3,098	235	3,808
146	2,229	191	3,116	236	3,821
147	2,250	192	3,134	237	3,835
148	2,271	193	3,151	238	3,849
149	2,293	194	3,167	239	3,864
150	2,315	195	3,185	240	3,880
151	2,334	196	3,202	241	3,893
152	2,354	197	3,219	242	3,906
153	2,375	198	3,235	243	3,920
154	2,396	199	3,249	244	3,934
155	2,418	200	3,264	245	3,949
156	2,440	201	3,280	246	3,965
157	2,460	202	3,296	247	3,978
158	2,480	203	3,313	248	3,992
159	2,500	204	3,330	249	4,005
160	2,520	205	3,347	250	4,018
161	2,540	206	3,363	251	4,032
162	2,560	207	3,380	252	4,045
163	2,580	208	3,397	253	4,058
164	2,600	209	3,413	254	4,072
165	2,620	210	3,430	255	4,085
166	2,640	211	3,445	256	4,098
167	2,660	212	3,460	257	4,112
168	2,680	213	3,475	258	4,125
169	2,698	214	3,490	259	4,139
170	2,716	215	3,505	260	4,152
171	2,735	216	3,520	261	4,165
172	2,754	217	3,537	262	4,177
173	2,774	218	3,554	263	4,189
264	4,201	298	4,607	332	4,975
265	4,214	299	4,618	333	4,985
266	4,227	300	4,630	334	4,995
267	4,240	301	4,642	335	5,005
268	4,252	302	4,654	336	5,015
269	4,264	303	4,665	337	5,025
270	4,276	304	4,676	338	5,035
271	4,289	305	4,686	339	5,045
272	4,302	306	4,695	340	5,055
273	4,315	307	4,704	341	5,065
274	4,327	308	4,714	342	5,075
275	4,339	309	4,725	343	5,086
276	4,350	310	4,736	344	5,097
277	4,362	311	4,748	345	5,108
278	4,373	312	4,757	346	5,119
279	4,385	313	4,768	347	5,130
280	4,397	314	4,779	348	5,140
281	4,408	315	4,790	349	5,150
282	4,420	316	4,801	350	5,160
283	4,432	317	4,812	351	5,170
284	4,443	318	4,823	352	5,180
285	4,455	319	4,834	353	5,190
286	4,467	320	4,844	354	5,200
287	4,478	321	4,855	355	5,210
288	4,490	322	4,866	356	5,220
289	4,502	323	4,878	357	5,230
290	4,513	324	4,890	358	5,240
291	4,525	325	4,899	359	5,250
292	4,537	326	4,909	360	5,260
293	4,548	327	4,920	361	5,268
294	4,560	328	4,931	362	5,276
295	4,572	329	4,943	363	5,285
296	4,583	330	5,955	364	5,294
297	4,595	331	4,965	365	5,303

NOTE.—Freeboards at intermediate lengths of ship shall be obtained by linear interpolation. Ships above 365 meters in length shall be dealt with by the Administrations.

TABLE B.—*Freeboard table for type B ships*

Length of ship	Freeboard	Length of ship	Freeboard	Length of ship	Freeboard
Feet	*Inches*	*Feet*	*Inches*	*Feet*	*Inches*
80	8.0	460	83.1	840	161.2
90	8.9	470	85.6	850	162.8
100	9.8	480	88.1	860	164.3
110	10.8	490	90.6	870	165.9
120	11.9	500	93.1	880	167.4
130	13.0	510	95.6	890	168.9
140	14.2	520	98.1	900	170.4
150	15.5	530	100.6	910	171.8
160	16.9	540	103.0	920	173.3
170	18.3	550	105.4	930	174.7
180	19.8	560	107.7	940	176.1
190	21.3	570	110.0	950	177.5
200	22.9	580	112.3	960	178.9
210	24.7	590	114.6	970	180.3
220	26.6	600	116.8	980	181.7
230	28.5	610	119.0	990	183.1
240	30.4	620	121.1	1,000	184.4
250	32.4	630	123.2	1,010	185.8
260	34.4	640	125.3	1,020	187.2
270	36.5	650	127.3	1,030	188.5
280	38.7	660	129.3	1,040	189.8
290	41.0	670	131.3	1,050	191.0
300	43.3	680	133.3	1,060	192.3
310	45.7	690	135.3	1,070	193.5
320	48.2	700	137.1	1,080	194.8
330	50.7	710	139.0	1,090	196.1
340	53.2	720	140.9	1,100	197.3
350	55.7	730	142.7	1,110	198.6
360	58.2	740	144.5	1,120	199.9
370	60.7	750	146.3	1,130	201.2
380	63.2	760	148.1	1,140	202.3
390	65.7	770	149.8	1,150	203.5
400	68.2	780	151.5	1,160	204.6
410	70.7	790	153.2	1,170	205.8
420	73.2	800	154.8	1,180	206.9
430	75.7	810	156.4	1,190	208.1
440	78.2	820	158.0	1,200	209.3
450	80.7	830	159.6	----------	----------

Freeboards at intermediate lengths of ship shall be obtained by linear interpolation.

Ships above 1200 feet in length shall be dealt with by the Administrations.

Regulation 29

Correction to the Freeboard for Ships Under 100 Metres (328 Feet) in Length

The tabular freeboard for a type "B" ship of between 24 metres (79 feet) and 100 metres (328 feet) in length having enclosed superstructures with an effective length of up to 35 per cent of the length of the ship shall be increased by:

$$\frac{7.5\ (100-L)\ (0.35-E)\ \text{millimetres}}{L}$$

where L=length of ship in metres
E=effective length of superstructure in metres as defined in Regulation 35

or

$$\frac{0.09\ (328-L)\ (0.35-E)\ \text{inches}}{L}$$

where L=length of ship in feet
E=effective length of superstructure in feet as defined in Regulation 35.

Regulation 30

Correction for Block Coefficient

Where the block coefficient (C_b) exceeds 0.68, the tabular freeboard specified in Regulation 28 as modified, if applicable, by Regulations 27(8), 27(10) and 29 shall be multiplied by the factor

$$\frac{C_b+0.68}{1.36}.$$

Regulation 31

Correction for Depth

(1) Where D exceeds $L/15$ the freeboard shall be increased by $(D-L/15)$ R millimetres when R is $L/0.48$ at lengths less than 120 metres and 250 at 120 metres length and above, or; $D-L/15)$ R inches, where R is $L/131.2$ at lengths less than 393.6 feet and 3 at 393.6 feet length and above.

(2) Where D is less than $L/15$ no reduction shall be made except in a ship with an enclosed superstructure covering at least 0.6 L amidships, with a complete trunk, or combination of detached enclosed superstructures and trunks which extend all fore and aft, where the freeboard shall be reduced at the rate prescribed in paragraph (1) of this Regulation.

(3) Where the height of superstructure or trunk is less than the standard height, the reduction shall be in the ratio of the actual to the standard height as defined in Regulation 33.

Regulation 32

Correction for Position of Deck Line

Where the actual depth to the upper edge of the deck line is greater or less than D, the difference between the depths shall be added to or deducted from the freeboard.

Regulation 33

Standard Height of Superstructure

The standard height of a superstructure shall be as given in the following table:

Standard height (in meters)

L (meters)	Raised quarter deck	All other superstructures
30 or less	0.90	1.80
75	1.20	1.80
125 or more	1.80	2.30

Standard height (in feet)

L (feet)	Raised quarter deck	All other superstructures
98.5 or less	3.0	5.9
246	3.9	5.9
410 or more	5.9	7.5

The standard heights at intermediate lengths of the ship shall be obtained by linear interpolation.

Regulation 34

Length of Superstructure

(1) Except as provided in paragraph (2) of this Regulation, the length of a superstructure (S) shall be the mean length of the parts of the superstructure which lie within the length (L).

(2) Where the end bulkhead of an enclosed superstructure extends in a fair convex curve beyond its intersection with the superstructure sides, the length of the superstructure may be increased on the basis of an equivalent plane bulkhead. This increase shall be two-thirds of the fore and aft extent of the curvature. The maximum curvature which may be taken into account in determining this increase is one-half the breadth of the superstructure at the point of intersection of the curved end of the superstructure with its side.

Regulation 35

Effective Length of Superstructure

(1) Except as provided for in paragraph (2) of this Regulation the effective length (E) of an enclosed superstructure of standard height shall be its length.

(2) In all cases where an enclosed superstructure of standard height is set in from the sides of the ship as permitted in Regulation 3(10), the effective length shall be the length modified by the ratio of b/Bs, where

'b' is the breadth of the superstructure at the middle of its length: and

'Bs' is the breadth of the ship at the middle of the length of the superstructure.

Where a superstructure is set in for a part of its length, this modification shall be applied only to the set in part.

(3) Where the height of an enclosed superstructure is less than the standard height, the effective length shall be its length reduced in the ratio of the actual height to the standard height. Where the height exceeds the

standard, no increase shall be made to the effective length of the superstructure.

(4) The effective length of a raised quarter deck, if fitted with an intact front bulkhead, shall be its length up to a maximum of 0.6 L. Where the bulkhead is not intact, the raised quarter deck shall be treated as a poop of less than standard height.

(5) Superstructures which are not enclosed shall have no effective length.

Regulation 36

Trunks

(1) A trunk or similar structure which does not extend to the sides of the ship shall be regarded as efficient on the following conditions:

(a) the trunk is at least as strong as a superstructure;

(b) the hatchways are in the trunk deck, and the hatchway coamings and covers comply with the requirements of Regulations 13 to 16 inclusive and the width of the trunk deck stringer provides a satisfactory gangway and sufficient lateral stiffness. However, small access openings with watertight covers may be permitted in the freeboard deck;

(c) a permanent working platform fore and aft fitted with guard rails is provided by the trunk deck, or by detached trunks connected to superstructures by efficient permanent gangways;

(d) ventilators are protected by the trunk, by watertight covers or by other equivalent means;

(e) open rails are fitted on the weather parts of the freeboard deck in way of the trunk for at least half their length;

(f) the machinery casings are protected by the trunk, by a superstructure of at least standard height, or by a deckhouse of the same height and of equivalent strength;

(g) the breadth of the trunk is at least 60 per cent of the breadth of the ship; and

(h) where there is no superstructure, the length of the trunk is at least 0.6 L.

(2) The full length of an efficient trunk reduced in the ratio of its mean breadth to B shall be its effective length.

(3) The standard height of a trunk is the standard height of a superstructure other than a raised quarter deck.

(4) Where the height of a trunk is less than the standard height, its effective length shall be reduced in the ratio of the actual to the standard height. Where the height of hatchway coamings on the trunk deck is less than that required under Regulation 15(1), a reduction from the actual height of truck shall be made which corresponds to the difference between the actual and the required height of coaming.

Regulation 37

Deduction for Superstructures and Trunks

(1) Where the effective length of superstructures and trunks is 1.0 L, the deduction from the freeboard shall be 350 millimetres at 24 metres length of ship, 860 millimetres at 85 metres length, and 1070 millimetres at 122 metres length and above (14 inches at 79 feet length of ship, 34 inches at 279 feet length, and 42 inches at 400 feet length and above); deductions at intermediate lengths shall be obtained by linear interpolation.

(2) Where the total effective length of superstructures and trunks is less than 1.0 L the deduction shall be a percentage obtained from one of the following tables:

Percentage of deduction for type A ships

	Total effective length of superstructures and trunks										
	0	0.1 L	0.2 L	0.3 L	0.4 L	0.5 L	0.6 L	0.7 L	0.8 L	0.9 L	1.0 L
Percentage of deduction for all types of superstructures	0	7	14	21	31	41	52	63	75.5	87.7	100

Percentages at intermediate lengths of superstructures shall be obtained by linear interpolation.

Percentage of deduction for type B ships

	Line	Total effective length of superstructures and trunks										
		0	0.1 L	0.2 L	0.3 L	0.4 L	0.5 L	0.6 L	0.7 L	0.8 L	0.9 L	1.0 L
Ships with forecastle and without detached bridge	I	0	5	10	15	23.5	32	46	63	75.3	87.7	100
Ships with forecastle and detached bridge	II	0	6.3	12.7	19	27.5	36	46	63	75.3	87.7	100

Percentages at intermediate lengths of superstructures shall be obtained by linear interpolation.

(3) For ships of type "B":

(a) Where the effective length of a bridge is less than 0.2 L, the percentages shall be obtained by linear interpolation between lines I and II.

(b) Where the effective length of a forecastle is more than 0.4 L, the percentages shall be obtained from line II.

(c) Where the effective length of a forecastle is less than 0.07 L, the above percentages shall be reduced by:

$$5 \times \frac{(0.07\ L - f)}{0.07\ L}$$

where f is the effective length of the forecastle.

Regulation 38

Sheer

General

(1) The sheer shall be measured from the deck at side to a line of reference drawn parallel to the keel through the sheer line at amidships.

(2) In ships designed with a rake of keel, the sheer shall be measured in relation to a reference line drawn parallel to the design load waterline.

(3) In flush deck ships and in ships with detached superstructures the sheer shall be measured at the freeboard deck.

(4) In ships with topsides of unusual form in which there is a step or break in the topsides, the sheer shall be considered in relation to the equivalent depth amidships.

(5) In ships with a superstructure of standard height which extends over the whole length of the freeboard deck, the sheer shall be measured at the superstructure deck. Where the height exceeds the standard the least difference (Z) between the actual and standard heights shall be added to each end ordinate. Similarly, the intermediate ordinates at distances of ⅙ L and ⅓ L from each perpendicular shall be increased by 0.444 Z and 0.111 Z respectively.

(6) Where the deck of an enclosed superstructure has at least the same sheer as the exposed freeboard deck, the sheer of the enclosed portion of the freeboard deck shall not be taken into account.

(7) Where an enclosed poop or forecastle is of standard height with greater sheer than that of the freeboard deck, or is more than standard height, an addition to the sheer of the freeboard deck shall be made as provided in paragraph (12) of this Regulation.

Standard sheer profile

(8) The ordinates of the standard sheer profile are given in the following table:

Standard sheer profile

[Where L is in meters]

	Station	Ordinate (in millimeters)	Factor
After half	After Perpendicular	$25\left(\frac{L}{3}+10\right)$	1
	⅙ L from A.P.	$11.1\left(\frac{L}{3}+10\right)$	3
	⅓ L from A.P.	$2.8\left(\frac{L}{3}+10\right)$	3
	Amidships	0	1
Forward half	Amidships	0	1
	⅓ L from F.P.	$5.6\left(\frac{L}{3}+10\right)$	3
	⅙ L from F.P.	$22.2\left(\frac{L}{3}+10\right)$	3
	Forward Perpendicular	$50\left(\frac{L}{3}+10\right)$	1

Standard sheer profile

[Where L is in feet]

	Station	Ordinate (in inches)	Factor
After half	After Perpendicular	0.1 L+10	1
	⅙ L from A.P.	0.0444 L+4.44	3
	⅓ L from A.P.	0.0111 L+1.11	3
	Amidships	0	1
Forward half	Amidships	0	1
	⅓ L from F.P.	0.0222 L+2.22	3
	⅙ L from F.P.	0.0888 L+8.88	3
	Forward Perpendicular	0.2 L+20	1

Measurement of variation from standard sheer profile

(9) Where the sheer profile differs from the standard, the four ordinates of each profile in the forward or after half shall be multiplied by the appropriate factors given in the Table of ordinates. The difference between the sums of the respective products and those of the standard divided by 8 measures the deficiency or excess of sheer in the forward or after half. The arithmetical mean of the excess or deficiency in the forward and after halves measures the excess or deficiency of sheer.

(10) Where the after half of the sheer profile is greater than the standard and the forward half is less than the standard, no credit shall be allowed for the part in excess and deficiency only shall be measured.

(11) Where the forward half of the sheer profile exceeds the standard, and the after portion of the sheer profile is not less than 75 per cent of the standard, credit shall be allowed for the part in excess; where the after part is less than 50 per cent of the standard no credit shall be given for the excess sheer forward. Where the after sheer is between 50 per cent and 75 per cent of the standard, intermediate allowances may be granted for excess sheer forward.

(12) Where sheer credit is given for a poop or forecastle the following formula shall be used:

$$s = \frac{y}{3}\frac{L'}{L}$$

Where s = sheer credit, to be deducted from the deficiency or added to the excess of sheer.

y = difference between actual and standard height of superstructure at the end of sheer.

L' = mean enclosed length of poop or forecastle up to a maximum length of 0.5 L.

L = length of ship as defined in Regulation 3(1) of this Annex.

The above formula provides a curve in the form of a parabola tangent to the actual sheer curve at the freeboard deck and intersecting the end ordinate at a point below the superstructure deck a distance equal to the standard height of a superstructure. The superstructure deck shall not be less than standard height above this curve at any point. This curve shall be used in determining the sheer profile for forward and after halves of the ship.

Correction for variations from standard sheer profile

(13) The correction for sheer shall be the deficiency or excess of sheer (see paragraphs (9) to (11) inclusive of this Regulation), multiplied by

$$0.75 - \frac{S}{2L}$$

where S is the total length of enclosed superstructures.

Addition for deficiency is sheer

(14) Where the sheer is less than the standard, the correction for deficiency in sheer (see paragraph (13) of this Regulation) shall be added to the freeboard.

Deduction for excess sheer

(15) In ships where an enclosed superstructure covers 0.1 L before and 0.1 L abaft amidships, the correction for excess of sheer as calculated under the provisions of paragraph (13) of this Regulation shall be deducted from the freeboard; in ships where no enclosed superstructure covers amidships, no deduction shall be made from the freeboard; where an enclosed superstructure covers less than 0.1 L before and 0.1 L abaft amidships, the deduction shall be obtained by linear interpolation. The maximum deduction for excess sheer shall be at the rate of 125 millimetres per 100 metres of length (1½ inches per 100 feet of length).

Regulation 39

Minimum Bow Height

(1) The bow height defined as the vertical distance at the forward perpendicular between the waterline corresponding to the assigned summer freeboard and the designed trim and the top of the exposed deck at side shall be not less than:

for ships below 250 metres in length,

$$56L\left(1 - \frac{L}{500}\right)\frac{1.36}{C_b + 0.68} \text{ millimetres;}$$

for ships of 250 metres and above in length,

$$7000\frac{1.36}{C_b + 0.68} \text{ millimetres;}$$

where L is the length of the ship in metres, C_b is the block coefficient which is to be taken as not less than 0.68

Or, for ships below 820 feet in length,

$$0.672L\left(1 - \frac{L}{1640}\right)\frac{1.36}{C_b + 0.68} \text{ inches;}$$

for ships of 820 feet and above in length,

$$275.6\frac{1.36}{C_b + 0.68} \text{ inches;}$$

where L is the length of the ship in feet, C_b is the block coefficient which is to be taken as not less than 0.68.

(2) Where the bow height required in paragraph (1) of this Regulation is obtained by sheer, the sheer shall extend for at least 15 percent of the length of the ship measured from the forward perpendicular. Where it is obtained by fitting a superstructure, such superstructure shall extend from the stem to a point at least 0.07 L abaft the forward perpendicular, and it shall comply with the following requirements:

(a) for ships not over 100 metres (328 feet) in length it shall be enclosed as defined in Regulation 3(10), and

(b) for ships over 100 metres (328 feet) in length it need not comply with Regulation 3(10) but shall be fitted with closing appliances to the satisfaction of the Administration.

(3) Ships which, to suit exceptional operational requirements, cannot meet the requirements of paragraphs (1) and (2) of this Regulation may be given special consideration by the Administration.

Regulation II

Minimum Freeboards

Summer freeboard:

(1) The minimum freeboard in summer shall be the freeboard derived from the Tables in Regulation 28 as modified by the corrections in Regulations 27, as applicable, 29, 30, 31, 32, 37, 38 and, if applicable, 39.

(2) The freeboard in salt water, as calculated in accordance with paragraph (1) of this Regulation, but without the correction for deck line, as provided by Regulation 32, shall not be less than 50 millimetres (2 inches). For ships having in position 1 hatchways with covers which do not comply with the requirements of Regulations 15(7), 16 or 26, the freeboard shall be not less than 150 millimetres (6 inches).

Tropical freeboard:

(3) The minimum freeboard in the Tropical Zone shall be the freeboard obtained by a deduction from the summer freeboard of one forty-eighth of the summer draught measured from the top of the keel to the centre of the ring of the load line mark.

(4) The freeboard in salt water, as calculated in accordance with paragraph (1) of this Regulation, but without the correction for deck line, as provided by Regulation 34, shall not be less than 50 millimetres (2 inches). For ships having in position 1 hatchways with covers which do not comply with the requirements of Regulations 15(7), 16 or 26, the freeboard shall be not less than 150 millimetres (6 inches).

Winter freeboard

(5) The minimum freeboard in winter shall be the freeboard obtained by an addition to the summer freeboard of one forty-eighth of summer draught, measured from the top of the keel to the centre of the ring of the load line mark.

Winter North Atlantic freeboard

(6) The minimum freeboard for ships of not more than 100 metres (328 feet) in length which enter any part of the North Atlantic defined in Regulation 52 (Annex II), during the winter seasonal period shall be the winter freeboard plus 50 millimetres (2 inches). For other ships, the Winter North Atlantic Freeboard shall be the winter freeboard.

Fresh water freeboard

(7) The minimum freeboard in fresh water of unit density shall be obtained by deducting from the minimum freeboard in salt water:

$$\frac{\Delta}{40\,T} \text{ centimetres (inches)}$$

where Δ = displacement in salt water in tons at the summer load waterline

T = tons per centimetre (inch) immersion in salt water at the summer load waterline.

(8) Where the displacement at the summer load waterline cannot be certified, the deduction shall be one forty-eighth of summer draught measured from the top of the keel to the centre of the ring of the load line mark.

CHAPTER IV. SPECIAL REQUIREMENTS FOR SHIPS ASSIGNED TIMBER FREEBOARDS

Regulation 41

Application of this chapter

Regulations 42 to 45 inclusive apply only to ships to which timber load lines are assigned.

Regulation 42

Definitions

(1) *Timber Deck Cargo.*—The term "timber deck cargo" means a cargo of timber carried on an uncovered part of a free board or superstructure deck. The term does not include wood pulp or similar cargo.

(2) *Timber Load Line.*—A timber deck cargo may be regarded as giving a ship a certain additional buoyancy and a greater degree of protection against the sea. For that reason, ships carrying a timber deck cargo may be granted a reduction of freeboard calculated according to the provisions of Regulation 45 and marked on the ship's side in accordance with the provisions of Regulation 6 (3) and (4). However, in order that such special freeboard may be granted and used, the timber deck cargo shall comply with certain conditions which are laid down in Regulation 44, and the ship itself shall also comply with certain conditions relating to its construction which are set out in Regulation 43.

Regulation 43

Construction of Ship

Superstructure:

(1) Ships shall have a forecastle of at least standard height and a length of at least 0.07 L. In addition, if the ship is less than 100 metres (328 feet) in length, a poop of at least standard height, or a raised quarter deck with either a deckhouse or a strong steel hood of at least the same total height shall be fitted aft.

Double bottom tanks:

(2) Double bottom tanks where fitted within the midship half length of the ship shall have adequate watertight longitudinal subdivision.

Bulwarks:

(3) The ship shall be fitted either with permanent bulwarks at least 1 metre (39½ inches) in height, specially stiffened on the upper edge and supported by strong bulwark stays attached to the deck and provided with necessary freeing ports, or with efficient rails of the same height and of specially strong construction.

Regulation 44

Stowage

General:

(1) Openings in the weather deck over which cargo is stowed shall be securely closed and battened down. The ventilators shall be efficiently protected.

(2) Timber deck cargo shall extend over at least the entire available length which is the total length of the well or wells between superstructures. Where there is no limiting superstructure at the after end, the timber shall extend at least to the after end of the aftermost hatchway. The timber shall be stowed as solidly as possible to at least the standard height of the superstructure.

(3) On a ship within a seasonal winter zone in winter, the height of the deck cargo above the weather deck shall not exceed one-third of the extreme breadth of the ship.

(4) The timber deck cargo shall be compactly stowed, lashed and secured. It shall

not interfere in any way with the navigation and necessary work of the ship.

Uprights

(5) Uprights, when required by the nature of the timber, shall be of adequate strength considering the breadth of the ship; the spacing shall be suitable for the length and character of timber carried, but shall not exceed 3 metres (9.8 feet). Strong angles or metal sockets or equally efficient means shall be provided for securing the uprights.

Lashings:

(6) Timber deck cargo shall be efficiently secured throughout its length by independent over-all lashings spaced not more than 3 metres (9.8 feet) apart. Eye plates for these lashings shall be efficiently attached to the sheer strake or to the deck stringer plate at intervals of not more than 3 metres (9.8 feet). The distance from an end bulkhead of a superstructure to the first eye plate shall be not more than 2 metres (6.6 feet). Eye plates and lashings shall be provided 0.6 metres (23½ inches) and 1.5 metres (4.9 feet) from the ends of timber deck cargoes where there is no bulkhead.

(7) Lashings shall be not less than 19 millimetres (¾ inch) close link chain or flexible wire rope of equivalent strength, fitted with sliphooks and turnbuckles, which shall be accessible at all times. Wire rope lashings shall have a short length of long link chain to permit the length of lashings to be regulated.

(8) When timber is in lengths less than 3.6 metres (11.8 feet) the spacing of the lashings shall be reduced or other suitable provisions made to suit the length of timber.

(9) All fittings required for securing the lashings shall be of strength corresponding to the strength of the lashings.

Stability:

(10) Provision shall be made for a safe margin of stability at all stages of the voyage, regard being given to additions of weight, such as those due to absorption of water and icing and to losses of weight such as those due to consumption of fuel and stores.

Protection of crew, access to machinery spaces, etc.:

(11) In addition to the requirements of Regulation 25(5) of this Annex guardrails or life lines spaced not more than 33 centimetres (13 inches) apart vertically shall be provided on each side of the deck cargo to a height of at least 1 metre (39½ inches) above the cargo.

Steering arrangements:

(12) Steering arrangements shall be effectively protected from damage by cargo and, as far as practicable, shall be accessible. Efficient provision shall be made for steering in the event of a breakdown in the main steering arrangements.

Regulation 45

Computation for Freeboard

(1) The minimum summer freeboards are computed in accordance with Regulations 27 (5), 27(6), 27(11), 28, 29, 30, 31, 32, 37 and 38, except that Regulation 37 is modified by substituting the following percentages for those given in Regulation 37:

	Total effective length of superstructures										
	0	0.1 L	0.2 L	0.3 L	0.4 L	0.5 L	0.6 L	0.7 L	0.8 L	0.9 L	1.0 L
Percentage of deduction for all types of superstructure	20	31	42	53	64	70	76	82	88	94	100

Percentages at intermediate lengths of superstructures shall be obtained by linear interpolation.

(2) The Winter Timber Freeboard shall be obtained by adding to the Summer Timber Freeboard one thirty-sixth of the moulded summer timber draught.

(3) The Winter North Atlantic Timber Freeboard shall be the same as the Winter North Atlantic Freeboard prescribed in Regulation 40(6).

(4) The Tropical Timber Freeboard shall be obtained by deducting from the Summer Timber Freeboard one forty-eighth of the moulded summer timber draught.

(5) The Fresh Water Timber Freeboard shall be computed in accordance with Regulation 40(7) based on the summer timber load waterline.

ANNEX II—ZONES, AREAS, AND SEASONAL PERIODS

The zones and areas in this Annex are, in general, based on the following criteria:

Summer—not more than 10 per cent winds of force 8 Beaufort (34 knots) or more.

Tropical—not more than 1 per cent winds of force 8 Beaufort (34 knots) or more. Not more than one tropical storm in 10 years in an area of 5° square in any one separate calendar month.

In certain special areas, for practical reasons, some degree of relaxation has been found acceptable.

A chart is attached to this Annex to illustrate the zones and areas defined below.

Regulation 46

Northern Winter Seasonal Zones and Area

(1) *North Atlantic Winter Seasonal Zones I and II.*—

(a) The North Atlantic Winter Seasonal Zone I lies within the meridian of longitude 50°W from the coast of Greenland to latitude 45°N, thence the parallel of latitude 45°N to longitude 15°W, thence the meridian of longitude 15°W to latitude 60°N, thence the parallel of latitude 60°N to the Greenwich Meridian, thence this meridian northwards.

Seasonal periods: Winter, 16 October to 15 April; summer, 16 April to 15 October.

(b) The North Atlantic Winter Seasonal Zone II lies within the meridian of longitude 68°30'W from the coast of the United States to latitude 40°N, thence the rhumb line to the point latitude 36°N, longitude 73°W, thence the parallel of latitude 36°N to longitude 25°W and thence the rhumb line to Cape Toriñana.

Excluded from this zone are the North Atlantic Winter Seasonal Zone I and the Baltic Sea bounded by the parallel of the latitude of The Skaw in the Skagerrak.

Seasonal periods: Winter: 1 November to 31 March; summer: 1 April to 31 October.

(2) *North Atlantic Winter Seasonal Area.*—The boundary of the North Atlantic Winter Seasonal Area is—the meridian of longitude 68°30'W from the coast of the United States to latitude 40°N, thence the rhumb line to the southern-most intersection of the meridian of longitude 61°W with the coast of Canada and thence the east coasts of Canada and the United States.

Seasonal periods: For ships over 100 metres (328 feet) in length: Winter: 16 December to 15 February; summer: 16 February to 15 December.

For ships of 100 metres (328 feet) and under in length: Winter: 1 November to 31 March; summer: 1 April to 31 October.

(3) *North Pacific Winter Seasonal Zone.*—The southern boundary of the North Pacific Winter Seasonal Zone is—the parallel of latitude 50° N from the east coast of the USSR to the west coast of Sakhalin, thence the west coast of Sakhalin to the southern extremity of Kurilion, thence the rhumb line to Wakkanai, Hokkaido, Japan, thence the east and south coasts of Hokkaido to longitude 145° E, thence the meridian of longitude 145° E to latitude 35° N, thence the parallel of latitude 35° N to longitude 150° W and thence the rhumb line to the southern extremity of Dall Island, Alaska.

Seasonal periods: Winter: 16 October to 15 April; summer: 16 April to 15 October.

Regulation 47

Southern Winter Seasonal Zone

The northern boundary of the Southern Winter Seasonal Zone is—the rhumb line from the east coast of the American continent at Cape Tres Puntas to the point latitude 34°S, longitude 50° W, thence the parallel of latitude 34°S to longitude 17°E, thence the rhumb line to the point latitude 35°10'S, longitude 20°E, thence the rhumb line to the point latitude 34°S, longitude 28°E, thence along the rhumb line to the point latitude 35°30'S, longitude 118°E, and thence the rhumb line to Cape Grim on the northwest coast of Tasmania; thence along the north and east coasts of Tasmania to the southernmost point of Bruny Island, thence the rhumb line to Black Rock Point on Stewart Island, thence the rhumb line to the point latitude 47°S, longitude 170°E, thence along the rhumb line to the point latitude 33°S, longitude 170°W, and thence the parallel of latitude 33°S to the west coast of the American continent.

Seasonal periods: Winter: 16 April to 15 October; summer: 16 October to 15 April.

Regulation 48

Tropical Zone

(1) *Northern Boundary of the Tropical Zone.*—The northern boundary of the Tropical Zone is—the parallel of latitude 13°N from the east coast of the American continent to longitude 60°W, thence the rhumb line to the point latitude 10°N, longitude 58°W, thence the parallel of latitude 10°N to longitude 20°W, thence the meridian of longitude 20°W to latitude 30°N and thence the parallel of latitude 30°N to the west coast of Africa; from the east coast of Africa the parallel of latitude 8°N to longitude 70°E, thence the meridian of longitude 70°E to latitude 13°N, thence the parallel of latitude 13°N to the west coast of India; thence the south coast of India to latitude 10°30'N on the east coast of India, thence the rhumb line to the point latitude 9°N. longitude 82°E, thence the meridian of longitude 82°E to latitude 8°N, thence the parallel of latitude 8°N to the west coast of Malaysia, thence the coast of South-East Asia to the east coast of Vietnam at latitude 10°N, thence the parallel of latitude 10°N to longitude 145°E, thence the meridian of longitude 145°E to latitude 13°N and thence the parallel of latitude 13°N to the west coast of the American continent.

Saigon is to be considered as being on the boundary line of the Tropical Zone and the Seasonal Tropical Area.

(2) *Southern Boundary of the Tropical Zone.*—The southern boundary of the Tropical Zone is—the rhumb line from the Port of Santos, Brazil, to the point where the meridian of longitude 40°W intersects the Tropic of Capricorn; thence the Tropic of Capricorn to the west coast of Africa; from the east coast of Africa the parallel of latitude 20°S to the west coast of Madagascar, thence the west and north coasts of Madagascar to longitude 50°E, thence the meridian of longitude 50°E to latitude 10°S, thence the parallel of latitude 10°S to longitude 98°E, thence the rhumb line to Port Darwin, Australia, thence the coasts of Australia and Wessel Island eastwards to Cape Wessel, thence the parallel of latitude 11°S to the west side of Cape York; from the east side of Cape York the parallel of latitude 11°S to longitude 150°W, thence the rhumb

line to the point latitude 26°S, longitude 75°W, and thence the rhumb line to the west coast of the American continent at latitude 30°S.

Coquimbo and Santos are to be considered as being on the boundary line of the Tropical and Summer Zones.

(3) *Areas to be included in the Tropical Zone.*—The following areas are to be treated as included in the Tropical Zone—

(a) The Suez Canal, the Red Sea and the Gulf of Aden, from Port Said to the meridian of longitude 45°E.

Aden and Berbera are to be considered as being on the boundary line of the Tropical Zone and the Seasonal Tropical Area.

(b) The Persian Gulf to the meridian of longitude 59°E.

(c) The area bounded by the parallel of latitude 22°S from the east coast of Australia to the Great Barrier Reef, thence the Great Barrier Reef to latitude 11°S. The northern boundary of the area is the southern boundary of the Tropical Zone.

Regulation 49

Seasonal Tropical Areas

The following are Seasonal Tropical Areas:

(1) *In the North Atlantic.*—An area bounded—on the north by the rhumb line from Cape Catoche, Yucatan, to Cape San Antonio, Cuba, the north coast of Cuba to latitude 20°N and thence the parallel of latitude 20°N to longitude 20°W; on the west by the coast of the American continent; on the south and east by the northern boundary of the Tropical Zone.

Seasonal periods: Tropical: 1 November to 15 July. Summer: 16 July to 31 October.

(2) *In the Arabian Sea.*—An area bounded—on the west by the coast of Africa, the meridian of longitude 45°E in the Gulf of Aden, the coast of South Arabia and the meridian of longitude 59°E in the Gulf of Oman; on the north and east by the coasts of Pakistan and India; on the south by the northern boundary of the Tropical Zone.

Seasonal periods: Tropical: 1 September to 31 May; summer: 1 June to 31 August.

(3) *In the Bay of Bengal.*—The Bay of Bengal north of the northern boundary of the Tropical Zone.

Seasonal periods: Tropical: 1 December to 30 April; summer: 1 May to 30 November.

(4) *In the South Indian Ocean.*—

(a) An area bounded—on the north and west by the southern boundary of the Tropical Zone and the east coast of Madagascar; on the south by the parallel of latitude 20°S; on the east by the rhumb line from the point latitude 20°S, longitude 50°E, to the point latitude 15°S, longitude 51°30'E, and thence by the meridian of longitude 51°30'E to latitude 10°S.

Seasonal periods: Tropical: 1 April to 30 November; summer: 1 December to 31 March.

(b) An area bounded—on the north by the southern boundary of the Tropical Zone; on the east by the coast of Australia; on the south by the parallel of latitudes 15°S from longitude 51°30'E, to longitude 120°E and thence the meridan of longitude 120°E to the coast of Australia; on the west by the meridian of longitude 51°31'E.

Seasonal periods: Tropical: 1 May to 30 November. summer: 1 December to 30 April.

(5) *In the China Sea.*—An area bounded—on the west and north by the coasts of Vietnam and China from latitude 10°N to Hong Kong; on the east by the rhumb line from Hong Kong to the Port of Sual (Luzon Island) and the west coasts of the Islands of Luzon, Samar and Leyte to latitude 10°N; on the south by the parallel of latitude 10°N.

Hong Kong and Sual are to be considered as being on the boundary of the Seasonal Tropical Area and Summer Zone.

Seasonal periods: Tropical: 21 January to 30 April; summer: 1 May to 20 January.

(6) *In the North Pacific.*—(a) An area bounded on the north by the parallel of latitude 25°N; on the west by the meridian of longitude 160°E; on the south by the parallel of latitude 13°N; on the east by the meridian of longitude 130°W.

Seasonal periods: Tropical: 1 April to 31 October; summer: 1 November to 31 March.

(b) An area bounded—on the north and east by the west coast of the American continent; on the west by the meridian of longitude 123°W from the coast of the American continent to latitude 33°N and by the rhumb line from the point latitude 33°N, longitude 123°W, to the point latitude 13°N, longitude 105°W; on the south by the parallel of latitude 13°N.

Seasonal periods:

Tropical: 1 March to 30 June and 1 November to 30 November.

Summer: 1 July to 31 October and 1 December to 28/29 February.

(7) *In the South Pacific.*—

(a) The Gulf of Carpentaria south of latitude 11°S.

Seasonal periods: Tropical: 1 April to 30 November; summer: 1 December to 31 March.

(b) An area bounded—On the north and east by the southern boundary of the Tropical Zone; on the south by the Tropic of Capricorn from the east coast of Australia to longitude 150°W, thence by the meridian of longitude 150°W to latitude 20°S and thence by the parallel of latitude 20°S to the point where it intersects the southern boundary of the Tropical Zone; on the west by the boundaries of the area within the Great Barrier Reef included in the Tropical Zone and by the east coast of Australia.

Seasonal periods: Tropical: 1 April to 30 November; summer: 1 December to 31 March.

Regulation 50

Summer Zones

The remaining areas constitute the Summer Zones.

However, for ships of 100 metres (328 feet) and under in length, the area bounded—on the north and west by the east coast of the United States; on the east by the meridian of longitude 68°30'W from the coast of the United States to latitude 40°N and thence by the rhumb line to the point latitude 36°N, longitude 73°W; on the south by the parallel of latitude 36°N; is a Winter Seasonal Area.

Seasonal periods: Winter: 1 November to 31 March; summer: 1 April to 31 October.

Regulation 51

Enclosed Seas

(1) *Baltic Sea.*—This sea bounded by the parallel of latitude of The Skaw in the Skagerrak is included in the Summer Zones.

However, for ships of 100 metres (328 feet) and under in length, it is a Winter Seasonal Area.

Seasonal periods: Winter: 1 November to 31 March; summer: 1 April to 31 October.

(2) *Black Sea.*—This sea is included in the Summer Zones.

However, for ships of 100 metres (328 feet) and under in length, the area north of latitude 44°N is a Winter Seasonal Area.

Seasonal periods: Winter: 1 December to 28/29 February; summer: 1 March to 30 November.

(3) *Mediterranean.*—This sea is included in the Summer Zones.

However, for ships of 100 metres (328 feet) and under in length, the area bounded—on the north and west by the coasts of France and Spain and the meridian of longitude 3°E from the coast of Spain to latitude 40°N; on the south by the parallel of latitude 40°N from longitude 3°E to the west coast of Sardinia; on the east by the west and north coasts of Sardinia from latitude 40°N to longitude 9°E, thence by the meridian of longitude 9°E to the south coast of Corsica, thence by the west and north coasts of Corsica to longitude 9°E and thence by the rhumb line to Cape Sicié; is a Winter Seasonal Area.

Seasonal periods: Winter: 16 December to 15 March; summer: 16 March to 15 December.

(4) *Sea of Japan.*—This sea south of latitude 50°N is included in the Summer Zones.

However, for ships of 100 metres (328 feet) and under in length, the area between the parallel of latitude 50°N and the rhumb line from the east coast of Korea at latitude 38°N to the west coast of Hokkaido, Japan, at latitude 43°12'N is a Winter Seasonal Area.

Seasonal periods: Winter: 1 December to 28/29 February; summer: 1 March to 30 November.

Regulation 52

The Winter North Atlantic Load Line

The part of the North Atlantic referred to in Regulation 40(6) (Annex I) comprises:

(a) that part of the North Atlantic Winter Seasonal Zone II which lies between the meridians of 15°W and 50°W;

(b) the whole of the North Atlantic Winter Seasonal Zone I, the Shetland Islands to be considered as being on the boundary.

ANNEX III—CERTIFICATES

INTERNATIONAL LOAD LINE CERTIFICATE (1966)

[Official seal]

Issued under the provisions of the International Convention on Load Lines, 1966 under the authority of the Government of_____ _____ (full official designation of the country) by _____ (full official designation of the competent person or organization recognized under the provisions of the International Convention on Load Lines, 1966)

Name of ship	Distinctive number or letters	Port of registry	Length (L) as defined in Article 2(8)

Freeboard assigned as:
- A new ship
- An existing ship

Type of ship:
- Type "A"
- Type "B"
- Type "B" with reduced freeboard
- Type "B" with increased freeboard

*Delete whatever is inapplicable.

Freeboard from deck line	*Load line*
Tropical _____ mm. (inches) (T)	_____ mm. (inches) above (S)
Summer _____ mm. (inches) (S)	Upper edge of line through center of ring.
Winter _____ mm. (inches) (W)	_____ mm. (inches) below (S)
Winter North Atlantic _____ mm. (inches) (WNA)	_____ mm. (inches) below (S)
Timber—tropical _____ mm. (inches) (LT)	_____ mm. (inches) above (LS)
Timber—summer _____ mm. (inches) (LS)	_____ mm. (inches) above (S)
Timber—winter _____ mm. (inches) (LW)	_____ mm. (inches) below (LS)
Timber—winter North Atlantic _____ mm. (inches) (LWNA)	_____ mm. (inches) below (LS)

NOTE.—Freeboards and load lines which are not applicable need not be entered on the certificate.

Allowance for fresh water for all freeboards other than timber _____ mm. (inches). For timber freeboard _____ mm. (inches).

The upper edge of the deck line from which these freeboards are measured is _____ mm. (inches) _____ deck at side.

Date of initial or periodical survey _____.

This is to certify that this ship has been surveyed and that the freeboards have been assigned and load lines shown above have been marked in accordance with the International Convention on Load Lines, 1966.

This certificate is valid until _____, subject to periodical inspections in accordance with Article 14(1)(c) of the Convention.

Issued at _____ (place of issue of certificate) _____ 19__ (date of issue) _____ (signature of official issuing the certificate) and/or (seal of issuing authority).

If signed, the following paragraph is to be added:

The undersigned declares that he is duly authorized by the said Government to issue this certificate.

_____ (Signature).

NOTES.—1. When a ship departs from a port situated on a river or inland waters, deeper loading shall be permitted corresponding to the weight of fuel and all other materials required for consumption between the point of departure and the sea.

2. When a ship is in fresh water of unit density the appropriate load line may be submerged by the amount of the fresh water allowance shown above. Where the density is other than unity, an allowance shall be made proportional to the difference between 1.025 and the actual density.

[Reserve certificate]

This is to certify that at a periodical inspection required by Article 14(1)(c) of the Convention, this ship was found to comply with the relevant provisions of the Convention.

Place_____ Date_____.
Signature and/or Seal of issuing authority.
Place_____ Date_____.
Signature and/or Seal of issuing authority.
Place_____ Date_____.
Signature and/or Seal of issuing authority.
Place_____ Date_____.
Signature and/or Seal of issuing authority.

The provisions of the Convention being fully complied with by this ship, the validity of this certificate is, in accordance with Article 19(2) of the Convention, extended until_____.

Place_____ Date_____.
Signature and/or Seal of issuing authority.

INTERNATIONAL LOAD LINE EXEMPTION CERTIFICATE

[Official seal].

Issued under the provisions of the International Convention on Load Lines, 1966, under the authority of the Government of _____ (full official designation of the country) by _____ (full official designation of the competent person or organization recognized under the provisions of the International Convention on Load Lines, 1966).

Name of ship	Distinctive number or letters	Port of Registry

This is to certify that the above-mentioned ship is exempted from the provisions of the 1966 Convention, under the authority conferred by Article 6(2) Article 6(4) [1] of the Convention referred to above.

The provisions of the Convention from which the ship is exempted under Article 6(2) are: _____.

The voyage for which exemption is granted under Article 6(4) is: From: _____. To: _____.

Conditions, if any, on which the exemption is granted under either Article 6(2) or Articles 6(4): _____. This certificate is valid until _____ subject, where appropriate, to periodical inspections in accordance with article 14(1)(c) of the Convention.

Issued at _____ (Place of issue of certificate) _____ 19__ (date of issue) _____ (Signature of official issuing the certificate) and/or (seal of issuing authority).

If signed the following paragraph is to be added.

The undersigned declares that he is duly authorized by the said Government to issue this certificate _____ (Signature).

[Reverse of certificate]

This is to certify that this ship continues to comply with the conditions under which this exemption was granted.

Place _____ Date _____.
Signature and/or Seal of issuing authority.
Place _____ Date _____.
Signature and/or Seal of issuing authority.
Place _____ Date _____.
Signature and/or Seal of issuing authority.
Place _____ Date _____.
Signature and/or Seal of issuing authority.

This ship continues to comply with the conditions under which this exemption was granted and the validity of this certificate is, in accordance with Article 19(4)(a) of the Convention, extended until _____.

Place _____ Date _____.
Signature and/or Seal of issuing authority.

[1] Delete whichever is inapplicable.

RECOMMENDATIONS

The following are the Recommendations adopted by the Conference:

Recommendation 1

Denunciation of the International Convention Respecting Load Lines 1930

The Conference recommends:

(1) that Governments should accept the International Convention on Load Lines, 1966, at as early a date as possible and that the Governments which become parties to that Convention should denounce the International Convention respecting Load Lines 1930, and should co-operate with one another with a view to ensuring that their respective denunciations become effective on a date two years after the date on which the 1966 Convention comes into force;

(2) that Governments denouncing the 1930 Convention should bear in mind the provisions of the 1966 Convention relating to existing ships; in particular Article 4(4).

Recommendation 2

Ships Not Subject to the International Convention on Load Lines, 1966

The Conference recommends that such regulations as may be made by any of the Contracting Governments relating to

(1) its new ships of less than 24 metres (79 feet) in length on international voyages;

(2) its existing ships of less than 150 tons gross engaged on international voyages;

(3) its ships engaged on national voyages on an exposed nature, embracing the same hazardous elements as are normally encountered on international voyages

should, so far as practicable and reasonable, be framed in accordance with the principles and provisions of the International Convention on Load Lines, 1966.

Recommendation 3

Minimum Freeboards for Fishing Vessels

The Conference, having discussed the possibility of assigning load lines to fishing vessels, recommends that the Inter-Governmental Maritime Consultative Organization should pursue studies on the minimum freeboard for such vessels with a view to establishing recommended international standards for minimum freeboard of fishing vessels.

Recommendation 4

Consolidation of Conventions

The Conference, recognizing the common aims of the International Convention for the Safety of Life at Sea, 1960 and the International Convention on Load Lines, 1966, concerning the safety of life and property at sea, recommends that the Inter-Governmental Maritime Consultative Organization should consider the relationship between the provisions of the two Conventions with a view to suggesting how they could be consolidated in a single international convention.

Recommendation 5

Boundaries Between Inland Waters and the Sea

The Conference recommends that each Contracting Government should make available to any other Contracting Government, on request, particulars of the boundaries between inland waters and the sea which it will use for the purposes of Article 12(2) of the International Convention on Load Lines, 1966.

MAIN PURPOSE

Mr. MANSFIELD. Mr. President, the 1966 International Convention on Load Lines was reported out of the Committee on Foreign Relations unanimously. It establishes new rules for the loading of ships on international voyages. This convention, which is designed to bring up to date the Load Line Convention signed at London on July 5, 1930—47 Stat. 2228; Treaty Series 858—requires that ships belonging to participating nations engaged in international voyages be surveyed and marked with loadlines in accordance with the convention's terms. Loadlines are placed on ships to mark the point beyond which a vessel may not be safely submerged. The convention recognizes that these lines may vary at different seasons of the year and in different parts of the high seas.

The convention does not apply to ships of war, new ships less than 79 feet, existing ships of less than 150 gross tons, fishing vessels, or pleasure craft not engaged in trade. A survey of every ship subject to the 1966 convention must be made before it is put into service, and thereafter surveys at intervals not exceeding 5 years. Annual inspections are also required.

The convention will enter into force 12 months after at least 15 governments, including 7 each with not less than 1 million gross tons, have become parties.

BACKGROUND

The International Convention on Load Lines was signed for the United States at London, April 5, 1966. It has been signed, subject to acceptance, by 41 countries in addition to the United States. Changes in ship construction and the experience of the last three decades have dictated this revision of the 1930 Load Lines Convention. For example, the 1930 convention did not regulate the loading of tanker vessels over 600 feet and cargo vessels over 750 feet.

During the October 11, 1966, hearings on the convention, the State Department's Legal Adviser, Mr. Charles Bevans, was asked why an international convention signed in April of 1966 was only referred to the Senate on September 12, 1966. Mr. Bevans replied that the unfortunate delay was caused by the State Department's difficulty in obtaining a true copy of the convention. Despite this delay, both the Coast Guard and the State Department testified that urgent

action on the convention was in the national interest. The reason for such urgency is that the convention is completely consistent with the 1930 convention and also with modern ship loading practices. Therefore, a number of nations have already proceeded to implement the new regulations specified in the 1966 convention. Consequently, U.S. shipping interests contend that they will be at a competitive disadvantage until the Senate has given its advice and consent to ratification of the convention.

COMMITTEE ACTION

The Committee on Foreign Relations held a public hearing on the 1966 convention on October 11, 1966, at which time Adm. Willard J. Smith, Commandant, U.S. Coast Guard, testified in support of the convention. A transcript of the hearing is appended to this report.

On October 11, 1966, the Committee on Foreign Relations voted to report the proposal favorably to the Senate for advice and consent to its acceptance by the United States.

Mr. CARLSON. Mr. President, I wish to say that the Committee on Foreign Relations did hold a public hearing, and we heard testimony from Adm. Willard J. Smith, Commandant, U.S. Coast Guard, in addition to others. There was no opposition to the convention, and I hope that it will be unanimously approved.

Mr. MANSFIELD. I thank the distinguished Senator from Kansas, who is a member of the Committee on Foreign Relations, as is the distinguished senior Senator from Delaware [Mr. WILLIAMS]. They are aware of the need for this convention. They were, of course, a part of the unanimous approval given by the Committee on Foreign Relations.

I ask unanimous consent that at the conclusion of the final vote on the pending measure, the Foreign Investors Tax Act of 1966, the vote be taken on the convention which has just been discussed.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. For the information of the Senate, it will be a yea-and-nay vote.

The ACTING PRESIDENT pro tempore. Without objection, the convention will be considered as having passed through its various parliamentary stages up to the point of consideration of the resolution of ratification, which will be read for the information of the Senate.

The Chief Clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the International Convention on Load Lines, 1966, with Annexes, signed for the United States at London April 5, 1966 (Executive S, Eighty-Ninth Congress, 2d session).

LEGISLATIVE SESSION

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

THE DEATH OF AN OUTSTANDING PROPHET AND PATRIOT

Mr. CARLSON. Mr. President, on Sunday morning, August 28, 1966, a great preacher, Dr. Joseph R. Sizoo, suddenly ended his earthly ministry. He had just delivered an eloquent and moving sermon at an outstanding Presbyterian church in New York City. As he entered the vestry near the pulpit he was not—for God took him.

During the summer Dr. Sizoo had worked long and arduously to write a new book on immortality. He had commented to several friends that he had more pride and satisfaction in this manuscript than in anything he had previously published. His certainty about immortality was overwhelming and joyful. This seemed especially appropriate when, as it came to pass, even as he was immersed with this book on the life to come, he seemed as never before to plan life on a scale of the infinite—not only as pilgrims of time, but as children of eternity. He appeared to be living in prospect of the eternal tomorrow. In the ecstatic lines of Isaac Watt:

Give me the wings of faith to rise
Within the veil, and see
The saints above, how great their joys
How bright their glories be.

Across his long life Dr. Sizoo's ministry was dynamic, forceful, and compelling. It was this impassioned oratory which influenced people all over the world. He was elected by ministers, priests, and theological leaders of all faiths as one of the "12 Great American Preachers" in a poll conducted by Life magazine in 1953.

Among Dr. Sizoo's volume of sermons are "Still We Can Hope," "Not Alone," "Make Life Worth Living," and "The Way of Faith." He also contributed to various religious journals and magazines. He won the Freedoms Foundation Award for "The Best Public Address of 1963" and that great patriotic agency at Valley Forge also gave him the George Washington Honor Medal for outstanding sermons in 7 successive years.

The interest of Dr. Sizoo in our armed services was great. He was an Army chaplain, YMCA service, 9th Infantry, Second Division in France in World War I. He was chairman of the commission on Army and Navy chaplains with the Federal Council of Churches 1932–37, as well as a founder of the Military Chaplains Association in 1939. He was chaplain of the 12th Regiment of the New York State Guard 1941–50. He visited troops in Korea and Japan as guest of the Chaplain Corps, Department of Defense in 1952; he was commissioned by the National Council of Churches to carry the first copy of the Revised Standard Version of the Bible into Asia to present to the President of Korea, Dr. Syngman Rhee, and Gen. Mark Clark.

Dr. Sizoo traveled extensively in Europe, the Middle East, Africa, and Asia. He visited South Africa at the invitation of the State Department in 1953 to make an analysis of the effect of apartheid from the point of view of religion and education. He lectured at the University of Johannesberg. He also lectured in Great Britain under the Lord Leverhulme Foundation in 1936.

At the George Washington University Dr. Sizoo was Director of University Chapel and Milbank Professor of Religion from 1952 until his date of death. He was president of the New Brunswick Theological Seminary 1947–52; minister of the Collegiate Church of St. Nicholas, New York City 1936–47, and minister of the New York Avenue Presbyterian Church in Washington, D.C., 1924–36, where for 14 years of his popular pastorate this historic church was crowded to capacity by worshipers who came from every section of the Capital City, and from across the Nation, to hear his preaching of the evangel.

Mr. President, words of praise were spoken for Dr. Sizoo, Director of University Chapel and Milbank Professor of Religion at the George Washington University, by Dr. Seth R. Brooks. I ask unanimous consent that the remarks of Dr. Brooks be printed at this point in the RECORD.

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

WORDS OF REMEMBRANCE FOR DR. JOSEPH R. SIZOO, DIRECTOR OF UNIVERSITY CHAPEL AND MILBANK PROFESSOR OF RELIGION, THE GEORGE WASHINGTON UNIVERSITY (BY DR. SETH R. BROOKS, UNIVERSALIST NATIONAL MEMORIAL CHURCH)

SERVICE OF REMEMBRANCE, SEPTEMBER 21, 1966

A passage from Ecclesiasticus: "The wisdom of a learned man cometh by opportunity of leisure . . . He that giveth his mind to the law of the Most High, and is occupied in the meditation thereof, will seek out the wisdom of the ancient . . . He will keep the sayings of renowned men; and where subtle parables are, he will be there also. He will seek out the secrets of grave sentences . . . He will travel through strange countries; for he hath tried the good and the evil among men . . . When the great Lord will, he shall be filled with the spirit of understanding, and give thanks unto the Lord in his prayer . . . He shall show forth that which he hath learned . . . Many shall commend his understanding, and so long as the world endureth it shall not be blotted out."

We are here in this University Chapel to give thanks for and to pay tribute to a remarkable life and career. Each one of us would readily admit that by any standard of measurement Joseph R. Sizoo represented remarkable achievements and contributions to other persons in his life and career.

Certainly Joseph R. Sizoo was recognized as one of America's greatest religious figures. Over the past sixteen years it has been my privilege to travel widely and constantly throughout our country. There has hardly been a place to which I have gone where the name and ministry of Dr. Sizoo was not known.

Strange I should have the honor of speaking today. Dr. Sizoo was of a great denomination and church. He preached to vast throngs in New York Avenue Presbyterian Church, the Collegiate Church of St. Nicholas in New York City, at Lenten services, and at special occasions. He was known throughout the Christian Church of his time. I have been of a very small denomination and church, often unheard of. I have

preached to small congregations. I have been little known. Fourteen years after my ministry began here in Washington Dr. Sizoo returned to this city. I had heard of him, had read some of his writings, but had never met him or seen him. Almost from our first meeting there began a close and sympathetic friendship which lasted over fourteen years. So, for half of my ministry in the Nation's Capital I knew Dr. Sizoo as a rare and rich offerer of friendship.

Dr. Sizoo was a magnificent figure of a man. No one could see him or meet him without being impressed by the magnificence of his presence. It used to be said of a minister in our church, "He is well groomed without and within." How true this was of Dr. Sizoo. His bearing commanded attention and respect. He was urbane and his urbanity was a hallmark of his life. He was filled with dignity. He was in command of any event and exuded poise, forcefulness, and spiritual power. Impeccable in appearance he crowned the impeccability of his outer presence with a graciousness which flowed from within.

In the pulpit he seemed to fill any church with something larger than self. I remember the last time I heard him preach. It was during Holy Week and in the Church of the Epiphany. I was seated on the last pew. The church was thronged with a capacity congregation. Then as Dr. Sizoo stood in the pulpit in his gown and hood he seemed to be larger than his own presence. He had an aura about him and a charisma rarely experienced. This charismatic quality spoke of his life as ordained to the ministry. One knew that in him one had met the great preacher. His voice and delivery touched the depths of his listeners. Not only was he a preacher—he was an artist in the development of his theme, a master of the language which poured from his lips, and a dynamic instrument for the thoughts which coursed through his mind and heart.

He was a man of God. He lived near to God and was aware of His presence. He placed his dependence on God and trusted Him. The certainty of God was his certainty. God lived for him. God spoke to him and he heard. God directed and he sought to follow. God chastened and that he knew, too.

He was of the Christian Faith. He proclaimed its Gospel as the glorious Good News which it was to him. He made vibrant the message of the Faith. To him Christ was the supreme manifestation and revelation of God.

I hasten to say he, too, was of all religions. Dr. Sizoo had traveled too widely and had experienced too much of life not to appreciate religion historically and universally. He was well aware of the historicity of the growth of the religious adventure and he knew that religion was everywhere, although in countless different forms. He could talk with persons of any faith or church and eagerly learn from them, and he could express to them his concern and heart-felt sympathy for the faith they cherished. This made him a wise counsellor over many years, a friend to countless persons and a clarifier and light-giver to untold numbers.

Religion and education were to him close relatives and, perhaps, twins. Learning, scholarship, knowledge, wisdom, and understanding he exalted and emulated. He wished education to aid religion and religion to guide and inspire education. He had a vast mind filled with the treasures of years of study, mental discipline, and broad experience.

His associations were wide. He knew intimately many renowned men. He had the respect and admiration of countless persons of success, achievement, and attainment. However, he was always humble, modest, and unspoiled.

He was sensitive, retiring and shy. It was paradoxical that one of such prominence in public life could in personal friendships be almost self-effacing and naive. In our Interchurch Club, which is almost a fraternity extending over sectarian lines, he never tried to dominate the discussion or speak with final authoritarian pronouncements which a man of his stature might have thought it was his privilege to do. At the Cosmos Club with him I knew him as the comrade of our common earthly way. At the Symphony he was visibly moved emotionally by great music and its language.

He traveled widely, read ceaselessly, and thought profoundly. He had moved in the company of Presidents, Senators, Physicians, Teachers, Rabbis, Priests, Ministers, and men who had a part in shaping human affairs and world events, but he was ever the seeker of answers to eternal questions. His learning never stopped. His imagination never ceased. His lyrical soarings never drooped. His soul never became other than God's Divine spark in him.

He left an imperishable image. He fills the description of the learned man, which we read at the opening of these words of tribute. His words spoken and recorded will continue into the future. His presence will be felt among us. "His name will not be blotted out." He will live in the church which he loved and in whose name he ministered. He will live in the halls of learning. He will live in the circle of his friends. He will live in the hearts of his students, and he will live for all of us who knew him as "a strong Son of God" moving across the horizon of our time.

WEBB & KNAPP, INC.

Mr. WILLIAMS of Delaware. Mr. President, today I call attention to a situation wherein a New York construction company while delinquent in over $27 million in income taxes was approved for FHA mortgage guarantees totaling over $67 million. This represented seven urban renewal projects. The company is now bankrupt, and over $26 million of its income tax liability has already been written off as uncollectible. All of the $67 million is in default as of this date, with all payments on principal being deferred.

On May 7, 1965, Webb & Knapp, Inc., a large construction firm of New York City and the recipient of numerous Government contracts, filed a petition for reorganization under chapter X of the Bankruptcy Act.

When this company filed bankruptcy it owed the U.S. Government $27,117,661.59, representing unpaid Federal income taxes for the period 1952 through 1959.

The total assets of the company are listed at approximately $2 million and the Treasury Department estimates that no more than $1 million will be collected on this $27 million tax liability and that the remaining $26 million was being written off as uncollectible.

I ask unanimous consent that two letters, one dated August 9, 1966, and one dated September 16, 1966, both signed by Commissioner Sheldon S. Cohen, Internal Revenue Service, be printed at this point in the RECORD.

The first letter explains the status of the Government's tax claims, and the second gives an itemization of the deficiencies, broken down by years.

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

U.S. TREASURY DEPARTMENT, INTERNAL REVENUE SERVICE,
Washington, D.C. August 9, 1966.

Hon. JOHN J. WILLIAMS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR WILLIAMS: During our discussion on July 28, 1966, you asked for information on the action of our Manhattan District in writing off as uncollectible certain tax liabilities of Webb & Knapp, Incorporated, New York City, New York.

I have looked into this matter and am happy to furnish you the following information. On May 7, 1965, Webb & Knapp filed a petition for reorganization under Chapter X of the Bankruptcy Act, which petition was approved on May 18, 1965. The District Director for the Manhattan District took the necessary steps to protect the Government's interests by filing Proof of Claim.

As the result of audit action, large deficiencies of income tax totaling over $27 million were found for taxable years from 1952 to 1959 and were assessed November 16, 1965. Our files indicate that the deficiencies were due to technical issues developed during the course of audit and were not attributable to evasive reporting by Webb & Knapp or to any failure on our part to collect taxes known to be delinquent. On December 1, 1965, attorneys for the trustee advised the District Director that assets in the estate at the time would total approximately $2 million. Administrative, legal and accounting fees are expected to be quite high, and, since they take priority over the claims of unsecured creditors, of which the United States is one, District officials estimated that no more than $1 million would be available for payment on our claim. One Delinquent account in excess of the amount we could expect to receive is being kept open for the future application of any proceeds that may be derived on our Proof of Claim. Since there appeared to be no possibility of collection, the District, in December 1965, wrote off as uncollectible almost $26 million. This write-off by the Manhattan District was included in the tabulations for 1965 which accompanied my letter of March 8, 1966, to you.

Your interest in this matter is appreciated.

With kind regards,

Sincerely,

SHELDON S. COHEN,
Commissioner.

U.S. TREASURY DEPARTMENT,
INTERNAL REVENUE SERVICE,
Washington, D.C., September 16, 1966.

Hon. JOHN J. WILLIAMS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR WILLIAMS: This is in further reference to your letter of August 29, 1966, which requested a more detailed breakdown of the tax deficiencies of Webb & Knapp, Incorporated, of New York City for the period 1952 to 1959.

The information in which you are interested appears in the following tabulation:

Period	Class of tax	Amount
1952	Corporation tax	$647,526.71
	Interest	492,226.74
	Total	1,139,753.45
1953	Corporation tax	637,281.68
	Interest	446,201.93
	Total	1,083,483.61
1954	Corporation tax	4,092,899.31
	Interest	2,620,128.36
	Total	6,713,027.67

Period	Class of tax	Amount
1956	Corporation tax	4,577,673.18
	Interest	2,468,299.36
	Total	7,045,972.54
1957	Corporation tax	7,522,394.86
	Interest	3,461,538.19
	Total	10,983,933.05
1959	Corporation tax	113,039.32
	Interest	38,451.95
	Total	151,491.27
	Grand total	27,117,661.59

As indicated in my letter of August 9, almost $26 million was written off for the years 1953 to 1959. The 1952 liability was kept open for future application of any proceeds that may be derived from our claim.

I might add that, in order to be sure of protecting the Government's interests, the Proof of Claim filed by the Manhattan District included, in addition to the foregoing deficiencies, an estimate of $1 million income tax each for the years 1955 and 1958. However, subsequent audit examination disclosed no liabilities for these years and, since the estimated amounts were not assessed, they were not written off.

The date of final determination of the deficiencies for these years was November 15, 1965, and the assessment date on each was November 16, 1965. There were no penalties for the years involved.

With kind regards,

Sincerely,

SHELDON S. COHEN,
Commissioner.

Mr. WILLIAMS of Delaware. This company has received several Government-guaranteed loans during the period of its tax delinquencies.

Under date of September 22, 1966, Commissioner Philip N. Brownstein, Federal Housing Administration, furnished a report listing seven FHA projects in which Webb & Knapp, Inc., of New York City, was associated during the past 5 years. These seven projects were all under the urban renewal program and represent mortgages totaling $67,541,600, and as of this date all seven of these projects are in default. They are now being operated under modification agreements under which payments on the principal are suspended.

At this point I ask unanimous consent that Commissioner Brownstein's letter of September 22, 1966, along with the itemized breakdown of the background and status of the various projects be printed.

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

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, FEDERAL HOUSING ADMINISTRATION,
Washington, D.C., September 22, 1966.

Hon. JOHN J. WILLIAMS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR WILLIAMS: I am replying further to your letter of September 1, 1966, requesting information concerning projects for the past five years in which Webb and Knapp, Inc., of New York City was associated.

The information requested is enclosed. The projects listed are, to the best of our knowledge, all of the projects with which Webb and Knapp, Inc., was associated, and which were insured by FHA subsequent to January 1, 1961.

Inasmuch as all of the listed projects represents cases which are still insured, the payment records are maintained by the mortgagees and information concerning payments is not available in our files.

You will note that all of the cases involve urban renewal projects. Under Section 220, the FHA, by law, accepts greater risks than in other programs. This is because there are many and unusual problems involved in the clearance of slums and their replacement with new private housing. The private residential development is only a part of the city's plan for achieving all its redevelopment objectives. Developing sustaining occupancy in a new 220 project is of critical importance. Default and foreclosure could jeopardize the success of an entire urban renewal project. Yet the availability of tenants is often subject to factors which are beyond the control of the private developer. Thus special consideration during the rent-up period is often called for and modification agreements become necessary.

Sincerely yours,

P. N. BROWNSTEIN,
Assistant Secretary-Commissioner.

Enclosures.

WASHINGTON PLAZA, INC., FHA PROJECT NO. 033-32001, PITTSBURGH, PA.

Type of project, urban renewal.
Date of initial contact, February 1960.
Application received, March 27, 1962.
Commitment date, May 29, 1962.
Commitment amount, $7,571,000.00.
Initial endorsement, June 19, 1962.
Final endorsement, December 14, 1964.
Mortgage amount at final endorsement, $7,571,000.00.
Approved construction cost, $8,537,708.09.
Mortgage terms, 40 years at 5¼%.
Sponsor's purchase price of land (leasehold) (from application), $712,800.00.
FHA "as is" appraised value of land, $728,640.00.
Sponsors: Webb & Knapp, Inc., 383 Madison Avenue, New York 17, New York.
Present owner: Washington Plaza, Inc., which is controlled by the Aluminum Co. of America through subsidiary corporations.
Status of mortgage: Mortgage insurance in force; under modification agreement which suspends principal payments from June 1, 1966 to December 1, 1966.

SOCIETY HILL TOWERS, FHA PROJECT NO. 034-32006, PHILADELPHIA, PA.

Type of project, urban renewal.
Date of initial contact, July 1958.
Application received, July 27, 1961.
Commitment date, May 28, 1962.
Commitment amount, $14,522,000.00.
Initial endorsement, June 26, 1962.
Final endorsement, July 22, 1965.
Mortgage amount at final endorsement, $14,522,000.00.
Approved construction cost, $16,836,319.00.
Mortgage terms, 40 years at 5¼%.
Sponsor's purchase price of land (from application), $850,000.00.
FHA "as is" appraised value of land, $849,067.00.
Sponsor: Webb & Knapp, Inc., 383 Madison Avenue, New York 17, N.Y.
Present owner: Society Hill Towers, Inc., which is controlled by the Aluminum Co. of America through subsidiary corporations.
Status of mortgage: Mortgage insurance in force; under modification agreement which suspends principal payments from June 1, 1965 to June 1, 1967.

LINCOLN SQUARE, SEC. IV, INC., FHA PROJECT NO. 012-32039, NEW YORK, N.Y.

Type of project, urban renewal.
Date of initial contact, June 1958.
Application received, March 24, 1961.
Commitment date, November 20, 1961.
Commitment amount, $8,440,200.00.
Initial endorsement, June 6, 1962.
Final endorsement, February 10, 1965.
Mortgage amount at final endorsement, $8,440,200.00.
Approved construction cost, $9,729,358.37.
Mortgage terms, 40 years at 5¼%.
Sponsor's purchase price of land (from application), $1,080,000.00.
FHA "as is" appraised value of land, $1,055,000.00.
Sponsors: Webb & Knapp Lincoln Square Corp., 383 Madison Avenue, New York 17, N.Y.
Present owner: Lincoln Square Apartments, Section IV, Inc., which is controlled by the Aluminum Co. of America through subsidiary corporations.
Status of mortgage: Mortgage Insurance in force; was under modification agreement which suspended principal payments from March 1, 1965 to March 1, 1966.

LINCOLN SQUARE, SEC. V, INC., FHA PROJECT NO. 012-32042-R, NEW YORK, N.Y.

Type of project, urban renewal.
Date of initial contact, June 1958.
Application received, March 24, 1961.
Commitment date, December 21, 1961.
Commitment amount, $9,008,100.00.
Initial endorsement, June 5, 1962.
Final endorsement, February 10, 1965.
Mortgage amount at final endorsement, $9,008,100.00.
Approved construction cost, $10,406,965.37.
Mortgage terms, 40 years at 5¼%.
Sponsor's purchase prce of land (from application), $1,320,000.00.
FHA "as is" appraised value of land, $1,207,565.00.
Sponsors: Webb & Knapp Lincoln Square Corp., 383 Madison Avenue, New York 17, N.Y.
Present owner: Lincoln Square Apartments, Section V, Inc. which is controlled by the Aluminum Co. of America through subsidiary corporations.
Status of mortgage: Mortgage insurance in force; under modification agreement which suspends principal payments from June 1, 1966 to June 1, 1967.

LINCOLN SQUARE, SEC. VI, INC., FHA PROJECT NO. 012-32038, NEW YORK, N.Y.

Type of project, urban renewal.
Date of initial contact, June 1958.
Application received, March 24, 1961.
Commitment date, January 20, 1962.
Commitment amount, $10,511,700.00.
Initial endorsement, June 12, 1962.
Final endorsement, May 14, 1965.
Mortgage amount at final endorsement, $10,511,700.00.
Approved construction cost, $12,395,047.88.
Mortgage terms, 40 years at 5¼%.
Sponsor's purchase price of land (from application), $1,440,000.00.
FHA "as is" appraised value of land, $875,900.00.
Sponsors: Webb & Knapp Lincoln Square Corp., 383 Madison Avenue, New York 17, N.Y.
Present owner: Lincoln Square Apts., Section VI, Inc., which is controlled by the Aluminum Co. of America through subsidiary corporations.
Status of mortgage: Mortgage insurance in force, under modification agreement which suspends principal payments from May 1, 1966, to November 1, 1966.

LINCOLN SQUARE, SEC. VII, INC., FHA PROJECT NO. 012-32041, NEW YORK, N.Y.

Type of project, urban renewal.
Date of initial contact, June 1958.
Application received, March 24, 1961.
Commitment date, February 28, 1962.
Commitment amount, $8,755,600.00.
Initial endorsement, June 14, 1962.

Final endorsement, January 13, 1966.
Mortgage amount at final endorsement, $8,755,600.00.
Approved construction cost, $10,438,896.35.
Mortgage terms, 40 years at 5¼%.
Sponsor's purchase price of land (from application), $1,086,000.00.
FHA "as is" appraised value of land, $1,507,927.00.
Sponsors: Webb & Knapp Lincoln Square Corp., 383 Madison Avenue, New York 17, N.Y.
Present owner: Lincoln Square Apartments, Section VII, Inc., which is controlled by the Aluminum Co. of America through subsidiary corporations.
Status of mortgage: Mortgage insurance in force; under modification agreement which suspends principal payments from May 1, 1966, to November 1, 1967.

LINCOLN SQUARE, SEC. VIII, INC., FHA PROJECT NO. 012-32040, NEW YORK, N.Y.

Type of project, urban renewal.
Date of initial contact, June 1958.
Application received, March 24, 1961.
Commitment date, March 16, 1962.
Commitment amount, $8,733,000.00.
Initial endorsement, July 26, 1962.
Final endorsement, March 7, 1966.
Mortgage amount at final endorsement, $8,733,000.00.
Approved construction cost, $10,536,242.83.
Mortgage terms, 40 years at 5¼%.
Sponsor's purchase price of land (from application), $1,080,000.00.
FHA "as is" appraised value of land, $1,668,100.00.
Sponsors: Webb & Knapp Lincoln Square Corp., 383 Madison Avenue, New York, N.Y.
Present owner: Lincoln Square Apartments, Section VIII, Inc., which is controlled by the Aluminum Co. of America through subsidiary corporations.
Status of mortgage: Mortgage insurance in force; under modification agreement which suspends principal payments from June 1, 1966, to June 1, 1967.

Mr. WILLIAMS of Delaware. Mr. President, I do not understand why the Treasury Department allowed this company to get so far behind in the payment of its income taxes with the result that now the Government is confronted with a $26 million loss.

It is particularly hard to understand in view of the fact that after this tax delinquency had been incurred this same company under another Government agency, the Federal Housing Administration, had obtained FHA guarantees on loans totaling over $67 million. Either the liaison between the respective Government agencies is not functioning or someone in both agencies was negligent in discharging his responsibilities.

Why was this company allowed to create a tax deficiency of $27 million between 1952 and 1960, and why was this delinquency still outstanding when bankruptcy was filed in 1965? Why did the Federal Housing Administration approve $67 million in Government-guaranteed mortgages for a company which at the time owed $27 million in taxes?

TRIBUTE TO PAUL G. HOFFMAN

Mr. JAVITS. Mr. President, recently the necessity to stay in this Chamber for a vote kept me away from a dinner in New York to honor an old friend to whom all Americans are indebted: Paul G. Hoffman.

I have been hearing about the affair ever since. I was told that one of the speeches on that occasion departed from the usual testimonial dinner addresses and I asked for a copy. It is short, pertinent, and a highly merited tribute to a great Republican, Paul Hoffman, by a distinguished Democrat, former Senator William Benton.

Mr. President, I ask unanimous consent to insert in the RECORD Senator Benton's remarks at the tribute to Paul Hoffman on September 29 at the Hotel Pierre, New York City.

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

REMARKS OF SENATOR WILLIAM BENTON AT THE DINNER GIVEN BY THE CENTER FOR THE STUDY OF DEMOCRATIC INSTITUTIONS IN TRIBUTE TO HON. PAUL G. HOFFMAN, ON SEPTEMBER 29, 1966, AT THE HOTEL PIERRE, NEW YORK CITY

For years I've been listening to the praises of Paul Hoffman. Most of them add up to the claim that he embalms the Christian virtues.

Is this man who published the phrase "The Marshall Plan"—is he merely a master publicist? My UNESCO colleague, Mr. Sharif, Pakistan's former Minister of Education, tells me Hoffman's name "is a household word throughout the world". Yet, my friends, he never seeks personal publicity, and everyone here knows that there's something the matter with a man who doesn't seek publicity.

I have decided that tonight, if I am to be fair to Bob Hutchins, I must give you the lowdown on Hoffman. I shall describe him to you as any man should be described by an old friend—in terms of the deadly sins.

The pre-eminent sin is—Pride. And I say Paul Hoffman is not only immodest; he is shameless. He spends his entire life shamelessly embarrassing his friends—by showing them up—by nonchalantly doing things they cannot equal.

A second sin is—Covetousness. Is Hoffman covetous? He is positively greedy! Whenever he sees a challenging job to be done, he grabs it, does it, and seeks out another. He is not only greedy; he is insatiable.

Paul is ridden with the sin of—Lust. He lusts for new and greater honors for his friends. Furtively, he seduces them into new and ever more important roles, and then disclaims all responsibility for their new prominence. Where would Hutchins and Reuther and Harriman and I—where would we have ever been without Hoffman? (Read your booklet!)

Hoffman is envious. Some of his friends wanted to make him President of the United States. General Eisenhower invited me to lunch on the day he was installed as President of Columbia. His purpose? It was to seek my advice on how to make Paul Hoffman President of the United States. Paul was so envious of the idea of Eisenhower as a President-maker—that he stole the idea, turned the tables on Eisenhower and set about to make Eisenhower the President.

Gluttony—This clearly characterizes Paul Hoffman. His gluttony for punishment is celebrated. When the Committee for Economic Development was new, Paul became its traveling salesman—as well as its conscience. Like St. Paul, everywhere he carried the Gospel—according to CED. Early in 1943 he averaged a thousand miles a day lining up CED field organizations. He then forced gluttony down the throat of the CED. It asked for 300 community organizations; Paul gave them 3,000.

Can I not tax Paul with the sin of Anger? Ha! He once called Joe McCarthy a Liar!

And sloth? Ah, yes, Sloth! Paul Hoffman is so lazy that he talks his friends into doing the good deeds which he claims his calendar doesn't give him time to do. He exhorts his friends to attain peace and to see to it that right prevails—things he is too lazy to accomplish alone.

Further, Hoffman is secretive and devious. He flatters his friends behind their backs in terms he would not dare use to their faces.

Now let me indict him for what some of you may regard as the greatest sin: Un-Americanism. Hear this indictment:

Item: A best selling author of the 1964 Election, John Stormer, in *None Dare Call It Treason*, says Paul set up the Fund for the Republic, which is entertaining us here tonight, to attack Government security programs—and anticommunists.

Item: Still another authoritative work assails Hoffman. It is *The Politician*, by possibly the most red-blooded—well, red, white and blue-blooded pro-American since George the Third—Robert Welch. He reveals that Paul Hoffman was not only Eisenhower's supporter and friend, but his agent for subverting the world.

Item: Clinton Rossitor, in *Conservatives in America*, lists, "The most thoroughly disliked characters, living and dead, in the Rogues Gallery of the Ultra-Conservatives". And on this roster of the public enemies, number one through ten, Paul Hoffman is number eight—even ahead of Bob Hutchins.

But there is yet more.

This is a sin so hard to pin down that early theologians did not even list it in the Big Seven. It is that of blasphemy. I don't charge that Paul Hoffman personally practices it. No—worse! He inspires it! Ray Rubicam once told me that Paul more than any man he'd ever known, "Walks in the steps of the Master".

Mr. Chairman and fellow-guests, it is sad indeed to look in these realistic terms at the life of a man many would like to call virtuous. But we have to face facts. His are not sins of omission, but of commission. They are not venial sins; they are mortal sins.

Indeed, they may prove to be immortal.

VIETNAM

Mr. JAVITS. Mr. President, throughout the last 2 years, I have devoted much thought to the conflict in Vietnam, its purposes, its prospects, and its meaning. Like other great issues of our time, Vietnam has generated constant soul-searching and perplexity. As a U.S. Senator I felt it was my responsibility to study the problems of the Vietnam situation and take a stand.

Hoping to make a contribution to the solution of the Vietnam conflict, I delivered a series of four speeches. Each speech emphasized a different aspect, but the four covered the whole landscape of problems—military, diplomatic, political, economic, and social.

The following were my conclusions and recommendations:

First. That the American people are not being fully apprised of the problems and prospects, and that our actions and policies are not being effectively explained by the President.

Second. That I stand squarely behind the U.S. commitment in Vietnam, but that I differ with aspects of the administration's policies.

Third. That while force is a necessary ingredient of our policy as a shield of

confidence behind which to pacify South Vietnam, more and more force and greater escalation will not produce a military victory in a guerrilla war nor will it bring the Communists to the negotiating table. Further substantive escalation of the war in North Vietnam will, however, result in increased risks of Soviet and Chinese intervention.

Fourth. That the prime way of beating a guerrilla war as indicated by past experience in Malaya, the Philippines, and so forth, is to isolate the guerrilla from his environment, from the South Vietnamese people themselves. There are two ways of accomplishing this: first, by gaining the loyalty of the people through a legitimization process tied to free and open elections and the early creation of a civilian government, and second, by carrying out a vast program of social and economic reform, including land reform and refugee care, reforms that directly touch the lives of the people.

Fifth. That pacification, legitimization, and reform will take time and priority effort, and that we must, therefore, prepare ourselves for the long haul in Vietnam, and not give in to the frustration of demands for force as a quick solution.

Sixth. That even though I am not hopeful at this time about the Communist willingness to negotiate, I believe that we have a vital responsibility to ourselves and the world to offer realistic proposals for peace, to seek negotiations by all means. To this end, I have proposed the explicit recognition of the NLF as an independent negotiating party, a military freeze on the introduction of additional troops into South Vietnam to start negotiations, and reciprocal withdrawal of troops from the south once negotiations end.

Seventh. That none of our efforts can be successful, nor should we continue our presence in Vietnam, unless the Government in Saigon maintains its share of the joint military burden and undertakes the necessary reforms and unless a freely elected civilian government wants us there.

Eighth. That in order to avoid becoming the policeman of the world, the United States must encourage a concentrated program of trying to create viable and realistic regional organizations. We must make it perfectly clear to countries around the world that it is in their own interests to cooperate on a regional basis, and that we intend to shift the burden to them. We must convince them that they will have to learn to act together if they are to obtain our support.

Mr. President, I ask unanimous consent to have printed in the RECORD certain remarks that I have made in regard to this subject.

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

THE DILEMMA OF VIETNAM

(The following are the remarks of Senator JACOB K. JAVITS delivered at the National Convention of the Disabled American Veterans, Waldorf-Astoria Hotel, New York City, at 11 a.m., Monday, August 8, 1966.)

As a nation we have passed the point of no return in Vietnam; it makes no sense to turn back or pull out. But it makes even less sense to charge forward head down, without knowing where we have been, without seeing the costs ahead, and without some certainty about the end and when it will all be over. There have been far too many unanswered questions about Vietnam, and there have been far too many answers that have rung hollow.

Yet, we are plunging forward, often armed with half truths, hoping for some decisive military victory, for the miracle of a peace conference, waiting for it all to end as suddenly as it appeared. These are illusions, illusions fostered by a false sense of optimism and nurtured by our own frustration. The facts are unpleasant, but unless we face them, we shall be carried step by step by events and by decisions into a situation that few willed and that no one can control.

What are we really trying to achieve in Vietnam? Can we achieve it by military means? Will differences be settled at the conference table? How long is the road ahead, and are we willing to travel it?

If we are to persevere, we must understand our goals and the costs. If we are to make further sacrifices, we must have conviction born of truth and not of illusion.

I believe we should persevere, but only if the Saigon Government takes the proper steps to legitimize its government by free elections under a constitution, and undertakes the necessary reforms to build a base of support responsive to the aspirations of the people. We should persevere only if we use our military power in a cautious and limited manner. It is fruitless to fight for those who have neither the will nor the conviction to fight for themselves, and it is folly to act as if the danger of a wider, perhaps even world-wide, war does not exist.

WHAT ARE WE FIGHTING FOR?

The American people have been subjected to a whole kit of unconvincing reasons for our presence in Vietnam. We have been told that we are fighting for "peace in the world." But surely we cannot believe that the outcome in Vietnam will mean the end of war. We have been told that we are fighting for the "forces of freedom and justice." Diem and Ky hardly qualify as democratic types. Finally, we are told that this is a struggle to stop the expansion of Chinese communism. But, while this is true in part, it obscures a larger truth, and it also covers over the fact that the Vietnam conflict—going on since the late 40's—erupted as much from the injustices of colonialism as from outside promptings.

All of these explanations betray a lack of faith in the judgment of the American people. They spring from the belief that the American people will support efforts of this kind only if they are sugar-coated. I maintain just the contrary. I maintain that there would be less division and confusion within our own ranks if the real objectives were set before the people.

We are fighting in Vietnam for Asian stability, for time, and for a practical principle.

Stability, on the Asian continent so that Asia does not become the Balkans of the world, so that Communist China is not tempted to test our will in a wider and more dangerous context.

Time, for the non-communist countries of Asia to strengthen and solidify their own societies and to develop a sense of regional collective responsibility so that U.S. presence will no longer be necessary on the continent as such.

The practical principle, that, in view of the risks of the nuclear age, change should not be brought about by force and terror and against the wishes of the majority of the people of a country.

Fighting in Vietnam will not necessarily prevent a guerrilla war from starting in Thailand, nor a resurgence of the Laotian conflict, nor a repeat of aggression in Korea. Indeed, it is very likely that the guerrilla war in Thailand, already going on, could reach significant proportions in two to three years.

The problem is not what we shall be able to prevent by our present efforts in Vietnam; it is how much more dangerous and difficult future conditions would be if we did not act now. In other words, the risks of inaction are greater than the risks of action.

It would be a decision of high irresponsibility for the United States simply to withdraw from Vietnam without due cause, for it would throw the continent of Asia into a situation of grave uncertainty and tension. It would make all future conflicts that much more difficult to control.

There should be no mistaking one central point—it is the U.S. commitment to the non-communist countries of Asia that keeps general instability from erupting into widespread violence. Of course, there is violence and risk of escalation in Vietnam right now, but, in my judgment, to do nothing in Vietnam would be an open invitation to aggression elsewhere.

There are none who realize this better than the Asians themselves. In July of this year, Prime Minister Sato of Japan said: "An increasing recognition should be made of the fact that the United States is making a major contribution to the security of the Far East, including my country." On June 18, 1966, Prime Minister Lee Kuan Yew of Singapore, who in the past has shown no particular affinity for the U.S., stated: "A premature withdrawal of American forces from Vietnam could threaten the security of Southeast Asia." In March of this year, President Marcos of the Philippines said: "The fact that the United States shoulders the major burden of the Vietnam war does not change the fact that this is an Asian challenge."

Even more impressive evidence of these feelings is the Conference of Asian and Pacific Countries which set in Korea in June. The conference was composed of nine nations from this area, with Laos as an observer. The final declaration of this conference "upheld the inherent right of the Vietnamese people to self-defense and to choose their own way of life and their own form of government free from external aggression and subversion," and affirmed its solidarity with South Vietnam in this struggle.

The ASPAC Conference actually symbolizes the time factor I just spoke of. It represents the first concrete step by the nations of this area themselves in recognizing their common economic, political, and defense interests. It will take time for the nations concerned to develop common determination and combined muscle, and we must give them that time. Lack of U.S. staying-power in Vietnam would demoralize this effort and undermine confidence in our commitments. Just as NATO was necessary to provide a shield behind which a shattered Western Europe could reconstruct itself, so U.S. power is needed in Asia to give reality to the independence of this region.

Lastly in reviewing our objectives, we must not forget about the Vietnamese people themselves. There are some who assert that these people really want the U.S. out and do not really care if a communist takeover ensues. I do not know where they get their evidence or their certainty. No mortal can search the Vietnamese mind for the truth, all we can do is look at some facts and see what they indicate.

There are dozens of different groups and factions in South Vietnam each with its own point of view and desire for power. Among them, obviously, is a minority—perhaps even a sizeable minority—which supports and sympathizes with the Vietcong.

But despite this powerful and organized minority and despite the terror it employs, the rest of South Vietnam has been able to wage a grueling and unwanted war for the good part of ten years. Yes, there have been defections from the ARVN forces and protests against the Saigon Government, but despite these, they continue to maintain over one-half million men-in-arms. Yes, the Buddhists dislike the U.S. presence in their country, but one never hears them ask us to leave. If the significant majority of South Vietnamese did not want to keep the communists out of power, the whole effort would have collapsed a long time ago—no matter what the U.S. did or did not do. We can supply men and arms, but we cannot create the will to fight on unless it already exists.

Our objectives in Vietnam are hard to understand. But in my judgment, the American people do not need demons, devils, and illusions, to understand their interests. The real issue is not whether we should be in Vietnam, but how we should conduct our diplomacy and our military action in order to reach the objectives of stability and time and live up to the principle of self-determination free from aggression and subversion.

PURSUING OUR OBJECTIVES: FORCE AND DIPLOMACY

Every war brings out a parade of prophets with bottled panaceas and pat solutions, of alarmists betokening us to concede more, and of town-criers advising us to kill more. This war in Vietnam, or indeed any guerrilla war, will not be ended by more concessions or more killings. Never since World War II have guerrillas been brought to the conference table or defeated finally on the battlefield.

What I think the American people must know is that there seems little likelihood of settling the conflict in Vietnam through negotiations or by means of increasing doses of force. This does not free us of the responsibility of refining and rethinking our diplomacy, nor does it relieve us of the necessity to use our armed forces. We should continue to seek peace through negotiations and to pacify the country through measured and limited armed strength, but we cannot base our policy on the success of either.

To dangle the prospects of a seemingly unlikely peace conference before our eyes is to invite public disillusionment and lack of confidence; and to pour more and more men and arms into Vietnam and to widen the bombing targets without firmly set limits to our operations is to escalate unknowingly and unwilling into a major Asian land war.

Why am I so dubious about a peace conference? Very simply, the Hanoi regime and the NLF want much more than we can possibly give—they want guarantees prior to talks that U.S. troops will be evacuated from Vietnam and that the NLF should have the "decisive voice" in a Saigon Government before elections. On our part, we are concerned that, for the moment, any inclusion of communists in the Saigon Government would mean the immobilization of that government and its speedy fall into Hanoi's hands. We have good reasons to be troubled about the extent of the popular base of support of the present Saigon Government, and the instability and pitfalls of a coalition government including the communists.

Yet, even with this big gap between the objectives of Hanoi and the NLF and our own, it is conceivable that negotiations could find some common ground and provide some guarantees—if only they would agree to talk about the differences. But as far as we can see now, this seems highly unlikely.

We have only to review the recent past for confirmation. At first, they said they would talk if we would return to the provisions of the 1954 Geneva Conference. We said we would, but there was no conference. Then, the stumbling block became the acceptance by us of the NLF sitting as an independent party at the peace table. We gave this assurance publicly and privately, but nothing happened. Next came the bombings. A conference could be had if only we would cease bombing targets in North Vietnam. We did for thirty days, but that did not turn out to be enough. Now we hear it rumored that Hanoi and the NLF are waiting for our promise to include them in a provisional government, to let them have a "share of the responsibility." We responded that we were ready to talk about anything. Again, there was no conference.

There has been a continuing stream of proposals for cease-fires, U.N. supervision and discussion, heads of state meetings, pressure on the Soviet Union to reconvene the Geneva Conference, military freeze and the recent Thai proposal for an Asian Conference of "all the principals"—some of them I made myself. But all of them were of no avail.

If Hanoi and the NLF have any doubts about our sincerity for negotiations, if they believe we are bluffing, and if they want to prove what they call our "hypocrisy", they have only to try us at the peace table. I hope they do, but I would not count on it.

I have supported our military efforts in Vietnam and I have voted the requisite appropriations, but I have made it plain each time that these efforts be limited and connected to rational policy objectives. I am concerned that out of frustration because the communists refuse to negotiate, we may be using force as an excuse for policy.

The theory behind the Administration's present military policy seems to be the idea of the breaking-point. It assumes that Hanoi and the NLF must have some point of damage acceptance at which it will no longer be rational for them to continue to fight. We have only to proceed along the spectrum of force—more troops, more and newer weapons, more bombings, new targets of devastating impact—to find their breaking-point and make them negotiate.

The assumption underlying this theory is faulty, and the consequences of the theory are dangerous. It assumes that we are dealing with a rational enemy, that he has a sense of proportion, that he has values more important than victory in the South. It seems to me that Hanoi, at least, has lost touch with reality. Hanoi appears willing to sacrifice its economy and its social fabric for its ends. Reaction to our bombing near Hanoi and Haiphong was to build more air-raid shelters and move people out of these cities to the country-side.

Hanoi and the NLF have their own theory about us. They believe that it is we who have the earlier breaking point, that they only have to continue a little longer before we become tired, before domestic opposition swells, and we withdraw. They are as wrong in their theory as we are in ours.

At worst, these mutual breaking-point theories can lead to World War III; at best, they will lead to a resumption of guerrilla war, leaving us back where we started. Let me explain this proposition.

We are bombing supply lines in North Vietnam. We have already bombed oil depots right outside of Hanoi and Haiphong. In a year's time, we will have upwards of half a million men in South Vietnam. What steps remain? Mining the Haiphong harbor, bombing the cities themselves, attacking airfields in the North and in China, invading North Vietnam, and starting the showdown with Peking. Crossing any one of these lines could produce a very new and more menacing configuration of battle, including greater if not direct Soviet assistance and the introduction of Chinese manpower. I do not think that either Moscow or Peking want to become directly involved in the fighting, but we should not force their hands.

Make no mistake—Vietnam is not Cuba, and if we challenge Soviet and Chinese interests directly, they will react. To speak as Premier Ky does of invading North Vietnam and having a showdown with Peking is the height of folly. Premier Ky says there can be no peace in Asia unless the U.S. defeats Communist China. This is tantamount to saying there can be no peace without World War III. Our own government should publicly disavow Premier Ky on these matters.

What happens, on the other hand, if we do not pursue the path of "quiet" escalation, and if, instead, we concentrate our military power in South Vietnam itself? While this is the course of action I prefer, it also has its limitations.

With half a million U.S. troops, a similar number of South Vietnamese soldiers, with allied support, with helicopters, modern weaponry, and air power, the communist troops operating at regimental and divisional levels in South Vietnam will get hurt and hurt very badly. Even if Hanoi infiltrates as many as six thousand troops per month, the attrition rate on these forces will be intolerably high. The Communists will soon discover that operating at Stage II of Mao Tse-tung's Theory of Revolution—at the conventional force level—is too costly.

But will their answer to this be negotiations? Most probably not. Most probably, they will revert to Stage I, or strictly guerrilla type warfare. This, in turn, will leave us back where we were three years ago. True, we shall have more troops on hand, but the guerrillas will still be there.

If I were convinced that we could use more force without causing a general Asian land war, and that this would put an end to guerrilla strength in the South, or that this would bring about negotiations, such a policy would have my support. But I do not believe that force alone, even measured and concentrated forced in South Vietnam itself, is the main route to peace.

THE REAL CHALLENGE: ELECTIONS AND REFORM

With our hopes tied to a peace conference and our remedies focused on force, we have taken our eyes off the real challenge, off the essence of guerrilla war. These wars begin and end in the hearts and minds of the people themselves, and they are nurtured in uncorrected injustices. As long as there is a sizable number of people who feel they can receive a better deal from the Vietcong, or that the government is unresponsive to their needs, there will be guerrillas.

Force, of course, is required to meet the guerrilla on the battle field, to prevent the collapse of authority, and to pacify the country. Force can provide a shield of confidence behind which free elections and social and economic reform can take place, but it is what goes on behind the shield that determines success or failure.

This has been the case in every guerrilla war since 1945. The British and the Malays fought the predominantly Chinese guerrillas in Malaya for ten years, with a numerical superiority of twelve to one. Malaya being a peninsula, there was little outside help for the guerrillas, and the guerrillas being primarily Chinese were readily identifiable. Still, it took ten years. The Philippine Government battled the Huks, who had virtually no external assistance, for eight years. In both of these instances, the tide was not turned against the guerrillas until the individual peasant began to feel the fruits of reform in his own life and until he could give his loyalty to the government.

I am not saying that our government is unaware of this time factor; it is. I am not saying that our government has ignored the social and economic reform side of the war; quite the opposite is true. I am not saying

that our government fails to comprehend how vital free elections are to obtaining the loyalty of the Vietnamese people; it knows this only too well. My point is that despite our Government's understanding of these problems, it has not taken the necessary action to resolve them. Consequently, a number of hurdles to success still exist: 1) the American public's impatience with the inevitably slow progress, domestic pressures for quick results; 2) our own hesitancy in pushing the Saigon Government along the necessary paths because we fear undermining its authority; and 3) the delaying tactics and equivocating of the Saigon Government and the wide-spread corruption throughout South Vietnamese society.

In effect, the Administration has not been straight-forward enough to dispel the illusions about quick results and has not been forceful enough with the Saigon regime to press for implementation of the aspirations of the Vietnamese people.

Our economic aid program to South Vietnam has been massive, considering it is a country with a population of only about sixteen million. Since 1954 and including what is projected for the next fiscal year, the total will be approximately $3.8 billion. This year alone, we are spending about $730 million for a variety of programs like rural reconstruction and pacification, financing of commercial imports and food assistance.

This is already a massive program, in some respects too massive since it has produced rampant inflation. We do not need to provide more dollars in aid; we do need to ensure that what we give is properly used and that it actually gets to the people.

As things now stand, the Saigon Government is dragging its heels on land reform, refugees, and corruption. The United States has to talk tougher to the Saigon leaders on these matters. We did get tough on the monetary side, and it worked—they reduced by half the value of the piaster and this did put the brakes on inflation.

We have been too squeamish on the matter of elections as well. After procrastinating, the military junta scheduled elections for a constituent assembly for September 11. This assembly is given a period of six months to draft a constitution, which in turn has to be approved by some virtually defunct body called the National Assembly, and then promulgated by the military junta itself. By November of 1967, if the constitution is approved and promulgated, the requisite national institutions are to be established. There is no provision, at present, for a general election of a civilian government. Equally distressing, is the section of the electoral law for the constituent assembly itself which prohibits "communists and neutralists" from participating. Some explanations have been offered about this, but they are unsatisfactory. It is my concern that the military junta will use those abstract classifications to prevent anyone from running for office or voting of whom they disapprove.

Genuinely free and open elections are the only real basis for generating peoples' loyalty for their government. With so much at stake, our own government should be direct and forceful in clearing up these ambiguities and in promoting free elections for a civilian government as soon as possible.

I have taken you along the road of my own thoughts on Vietnam, and these thoughts are not optimistic. I hope I am wrong. I hope there will soon be a peace conference; I wish our military power could produce negotiations without unacceptable escalation. But I would not count on either, and I would not allow myself to be taken in by false optimism, or phrases like "renewed determination." If I am right, if we face a long and uncertain future, the American people must know it, and we must accommodate our policy on Vietnam and at home to meet it!

Free Elections Vital in "New Kind of War" in Vietnam

(The following are excerpts of the remarks of Senator Jacob K. Javits delivered before the American Legion Convention Committees on National Security, Statler Hilton Hotel, Washington, D.C., at 10 a.m., Sunday, August 28, 1966.)

The American Legion has always prided itself—and justly so—on its sophistication about war, and the Legion has taken pains to continue its expertise. Now, in Vietnam, we are confronted with a new war—a guerrilla war that takes place not only on the battlefield but in the shadows, in the homes and farms and rice paddies, and in the minds of the people. And, I call upon the American Legion to take the lead in bringing the American people to a new awareness of the meaning of this guerrilla war, in all its complexities, military and non-military alike.

Many watching the proceedings of your convention expect that the voice of the American Legion, in the next few days, will resound with a call for more force and more bombings; they are waiting for you to be hawks. I do not believe the Legion will want to sound hawkish just because people expect it to. It is time, once again, for the Legion to demonstrate its acknowledged sophistication about war.

For, there is a vital difference between this new challenge and previous modern wars. We cannot fight the Korean War in Vietnam, for Vietnam is not Korea—nor Berlin, nor Lebanon, nor World War II, and no one should understand this better than the American Legion. Your appreciation of this fact, and that of other informed groups, is important to the President in maintaining our Vietnam commitment.

But, it is the President who has the primary responsibility, and it is the President who is steadily and inexorably foreclosing his freedom of action on Vietnam by not coming before the American people and telling them what we can realistically hope to accomplish. We can understand hard foreign policy decisions; we cannot understand a ritualistic adherence to illusions.

The fact is that, for a time at least, there is little likelihood of a negotiated settlement because the Communists want more than we can possibly give; nor is it likely that they can be forced to the negotiating table in the foreseeable future. Increasing doses of force in North Vietnam apparently have not been effective in halting infiltration of men and supplies into the South. But they do heighten the possibility of direct Soviet and Communist Chinese counter-measures.

Of course, we are capable of great escalation of force, and of course, we possess the military might to inflict unacceptable damage on our opponents, but I do not believe that Americans want to use that power at the risk of a nuclear war or, more probably, an Asian land war.

By not educating the American public to the rigors of guerrilla war, of the limitations of what can be accomplished by force, of the impossibility of quick results, the President risks erosion of domestic support for the U.S. position in Vietnam. We already can see the beginnings of this development in the slogan "Win or get out."

We cannot and should not withdraw from Vietnam because we do have important interests at stake, but neither can we expect total and decisive military victory.

A guerrilla war is not simply a military war—and never since World War II have guerrillas been defeated on the battlefield alone.

Force is a necessary policy ingredient. Without it, larger and larger communist units will be free to roam the countryside and control Vietnam territory. Without it, there can be no pacification. But, for our force to be truly meaningful with a maximization of effectiveness—without attendant risks of escalation—I urge the President to concentrate our primary military activities in the South. The main function of our force should be to provide a shield of confidence, a shield behind which the equally real war against social and economic deprivation can go forward. As long as any Saigon Government is unresponsive to the needs of the Vietnamese people, there will be guerrillas.

The way to beat guerrillas is to isolate them from their environment, the people themselves. The only way to isolate guerrillas is to give the people both protection and another source of loyalty.

Unless the President acts to clear the air of current misconceptions, he may soon discover that the American people will accept nothing but total victory. Unless he prepares us for the long haul, he may find that his options have been reduced to one—more force. Unless he leads the way, he may make it very difficult for public officials who want to support the Vietnam effort in a sensible way to do so.

Two weeks ago in the first of a four part speech series on Vietnam, I discussed in detail the diplomatic-military aspects of the situation. Today, I would like to focus on the political situation in South Vietnam, and in particular, on the impending elections for a Constituent Assembly. These elections are only sixteen days away, and we have not begun to ask the vtial questions: What do we hope will be accomplished by them? What problems will remain?

The Elections: A Problem of Expectations

Since the conflict in Vietnam took on significant proportions, there has been a growing gap between the government and the people of South Vietnam. I have always maintained, not only with respect to Vietnam but elsewhere, that the prime way for a government to obtain the loyalty of its people and to enlist their wholehearted efforts for defense of their state is to legitimize its own existence; and that this legitimization process is intimately tied to free and open elections.

South Vietnam is preparing for elections on September 11. These elections can, if there is a sizable voter turn-out and if properly conducted, be the single most important step in winning the hearts and minds and loyalties of the South Vietnamese people, for only a government duly and freely elected will be responsive to the needs of the people as the people themselves see these needs. And, have no doubts about this, such a government will be able and ready to carry a larger share of the actual burden of fighting in the long run.

But, these elections are only one step. They will not end the political strife among the various political, tribal, and religious sects in South Vietnam. They will not produce a new and dramatic resolve by the people of Vietnam to fight the war in a more determined way. In the first place, the elections are simply for a Constituent Assembly to draft a constitution; they are not for a civilian government. In the second place, peoples' loyalties are not gained or lost so quickly—especially in Vietnam.

Our expectations about the elections must be realistic. There will be no miraculous harmony or clearcut mandate. The elections will not solve everything, but without them, nothing can be solved. Without them, there can be no hope of expanding the base of political and popular support so vital to combating guerrillas.

* * * * *

The Constituent Assembly: Possible Power Confrontation

The Constituent Assembly is likely to be a hodgepodge of at least a dozen different

groups, each with its own distinct views and ambitions. There will be no majority party, probably no majority coalition, and probably no dominant group. The single largest party is likely to be not the Catholics or the Buddhists, but the Khaki Party of Army officers and civil servants supported by the military junta, and this party is expected to number no more than about forty seats.

Heterogeneity and fragmentation are exactly what the electoral law was designed to produce. The junta perhaps fears, and rightly so, that the Assembly will become a rival power base, and that instead of concentrating on the job of writing a constitution, it may busy itself by taking pot-shots at the junta from the sidelines. This could wreck the whole enterprise.

I would hope that the members of the Constituent Assembly would get on with the work of constitution drafting, an arduous task by itself, and not use this opportunity to pay for separate political advantage. I make no particular pleas for Premier Ky's Government, but the occasion of the Constituent Assembly is not the time or the place to attack it.

But, just as the assembly could undermine the enterprise through its haste to assume power, the military junta could destroy the legitimization process by refusing to tolerate views and power other than its own. Article 20 of the Constituent Assembly Law empowers the junta to veto any item in the constitution and requires a two-thirds total vote of the Assembly to override. Unless Article 20 is employed sparingly, the junta will find that the constitution will receive little public acceptance.

The problem is clear-cut. We must convince the military that they need political support, and we must convince the politicians that they need military loyalty. The military chain of command is the only structure that exists in South Vietnam that can implement decisions, and the various political groupings represent the only way decisions can be both made and accepted by the people. If either attempts to go it alone, it is the people of South Vietnam who will suffer.

It must be remembered that the Constituent Assembly is only an intermediate step, a step in the direction of a freely elected civilian government. As of now, there is no provision in the Assembly Law about these future elections, and it is rumored that the junta intends to stall these elections for a year after the constitution is promulgated, which will mean elections no sooner than February 1967. If the junta does delay, it will be at the expense of stability and legitimacy in South Vietnam, and the time lost may be irretrievable. The U.S. should not hesitate to make this fact known to the Saigon leaders.

The political situation in South Vietnam is tangled and confused. Religious sects, political parties, ethnic groups, and tribes which have historically disliked and distrusted one another are now faced with the prospect of either banding together to meet their long and common task of nationhood or continuing to follow their separate and self-defeating ways. It is my hope that their common interests will prevail, and that the U.S. will aid them in this undertaking. Only then can we begin to tackle the underlying causes of the conflict in Vietnam, the social and economic injustices which give the opportunity to the Vietcong. Only then, can we look forward to a renewed South Vietnamese will to resist.

VIETNAM: CONFLICT IN THE SHADOWS

(The following are excerpts of the remarks of Senator JACOB K. JAVITS delivered at the Overseas Press Club Luncheon, New York City, at 12:30 p.m., Wednesday, September 14, 1966.)

It has been a commonplace of military history that wars are not won on the drawing board but on the battlefield. There was little mystery attached to the perimeters of this battlefield; it was Inchon, or the Bulge, or the Marne, or Gettysburg, or Waterloo, and each confrontation had a clear beginning and end. In Vietnam, the lines of battle are blurred, for the battlefield is not one place but all places, and the contestants are not just armies but all the Vietnamese people—North and South—and there is no clear beginning and probably no clear end.

Success or failure in Vietnam will be determined by more than the drama and anguish of force, by more than kill counts, incident counts, and daylight victories. The end will be determined by who wins the conflict in the shadows, the battle for the hearts and minds of the Vietnamese people. In the shadows live sixteen million, waiting for a better day. They will ultimately name the victor.

* * * * *

Since, at this time, it seems unlikely that the struggle in Vietnam will be terminated by the massive application of force or by a negotiated settlement, U.S. policy should focus along three mutually reinforcing lines:

1. Using force principally in the South in order to establish a shield of confidence behind which South Vietnamese life can be reconstituted;

2. Bringing about as quickly as possible a civilian government in Saigon that is regarded by the people as legitimate, and responsive to their needs and feelings; and

3. Engendering a social and economic revolution that will actually touch and change the lives of the workers and farmers, a change that will give them some new stake in a non-communist life.

On two recent occasions, I have spoken about the shield of confidence and legitimization policies. I would like to add a comment on the latter at this time as well.

The elections were held as scheduled on Sunday, and I believe that they could be the first concrete sign that our joint efforts are paying off. The two key indicators of success were positive: there was a larger voter turnout and there were hardly any charges of fraud. Present figures are that over five million South Vietnamese or almost three-quarters of the eligible voters cast their ballots.

We should be perfectly clear, however, on the meaning of this success. It is not going to produce any new and miraculous harmony or a clearcut mandate. It is not a vote of confidence in any ruler or political party. It is not even a definite sign that the South Vietnamese are going to clean their own house and begin to pursue the war against the Communists or their war against want in a more determined fashion.

The success of the elections do prove one thing—control, and this is what was really being tested in the first place. The impressive voter turnout demonstrates that the Saigon Government actually controls and is administering the territory containing the majority of the South Vietnamese people. In the test of wills and strength between the Vietcong and the Saigon Government, the latter proved that it could deliver, that the people felt safe enough to brave the Communist's threats and vote.

There can be no doubt that some momentum has been gained by these elections. The initiative must not be lost. It must be exploited by swift and dramatic measures toward social and economic reform in South Vietnam.

Today, in the third speech of my series on Vietnam, I would like to highlight the problems of economic and social development and make a number of proposals which, I believe, will strengthen our efforts in this regard.

THE PROBLEMS

While the U.S. has made a number of policy mistakes in Vietnam, one area in which we have rarely faltered is in our recognition of the importance of social and economic reform. From the White House on down to AID personnel in the field, there has not been any doubt that this aspect of our policy must be made to work. The sad and unassailable fact, however, is that, with a few notable exceptions, this vast development program has not taken hold.

Our economic aid effort to South Vietnam, considered on a per capita basis has been massive. Since 1954 and counting what is projected for the next fiscal year, we will have given almost $4 billion to a nation of only sixteen million people. In the last two years alone, we have given over $1 billion for programs ranging from urban housing, hospitals, agriculture, education, rural reconstruction, to financing of commercial imports and food assistance under P.L. 480.

The problem is not the size or the nature of our effort. In fact, our aid has, in certain instances, been too massive with the result that it has not curtailed, but in some respects added to the inflation. A country is not like a sponge and unless we adjust the size of our aid to South Vietnam's capacity to absorb it, we shall find that more and more of our dollars are skimmed off at the top by those who already have plenty and that less and less reaches those who need it most. This is exactly what is happening to our commercial imports program, by far the single largest component in the total picture. The purpose of this program is to maintain general economic stability, to curb inflationary pressures by meeting the increasing level of demands, particularly demands by our servicemen and personnel connected with military construction. But, it is becoming obvious that most of this money ends up in the hands of the Saigon business community. This means, in effect, that well over two-thirds of our total aid program, the amount represented by commercial imports, does not reach the Vietnamese masses.

This is symptomatic of the real problem with our aid—and here I am referring to the project-oriented aid which fills out the remainder of our total program—it simply is not being properly administered by the South Vietnamese, and therefore, little of the aid is actually reaching the people.

Here is where we have been at fault. We have been much too squeamish and hesitant about pushing South Vietnamese leaders along the necessary paths and into a greater awareness of the importance of economic and social reform. Yet a push is necessary. Many Saigon leaders are indifferent to such reform, and some oppose specific reforms on the grounds of their being "Diem programs." They are more interested in the military aspects of the conflict. Corruption is widespread and accepted as a fact of life. The bureaucratic red tape throughout the country is so enormous that even something so small as constructing a well in a village can take months and mounds of paper. Lastly, an aid program like land reform bucks up against vested interests, against powerful and privileged South Vietnamese groups who are doing all they can to have their cake and eat it too. Like their historical predecessors, they have not learned that the continuation of their own position depends on meeting the demands of the less fortunate.

I fully understand that we cannot supplant South Vietnamese officials in administering the AID program, and that to do so would undermine the authority of the Saigon Government in the eyes of its own people, and thus be self-defeating. I appreciate South Vietnamese sensibilities, their xenophobia, their desire to run their own show, but I think there are a number of areas

where we can and should be firmer and more insistent with them. We should try to accommodate their sensibilities, but not at the price of inaction and not at the price of losing the conflict in the shadows.

Right from the start, one of the cardinal principles of my thinking about Vietnam has been that the South Vietnamese do all they can to maintain their share of the joint burden, that they do all they can to meet their own problems. There is a corollary to this: if they do not uphold their part of the joint effort, the U.S. should reappraise its commitment to South Vietnam.

Now, it is a fact that U.S. troops are conducting most of the search and destroy operations and are doing most of the fighting against the Communist forces. I can approve of the military reasons for this for a time—and for a time only—but what I cannot accept, and what I believe the American people will not tolerate, is South Vietnamese foot-dragging in the socio-economic sphere. There is not even a temporary excuse for this, nor for the corruption which underpins it.

The corruption, the red tape, and the disinterest cannot be done away with in a day, but with dedication and will, and a true realization of their own self-interest, leaders in South Vietnam can be brought to begin to overcome the problems of getting the aid to their people.

PROPOSALS TO STRENGTHEN THE EFFORT

Even within the present context and with the problems we face, there are a number of areas in which the battle against social and economic deprivation can be strengthened. To this end, I propose:

First, that we make a concerted effort to enlist the support of other nations, private individuals, and organizations to attack the problems of the non-military sector of South Vietnam. While others may to varying degrees disagree with our military policies and our negotiating stance, all can agree on the necessity for this humanitarian project. There is a desperate need for doctors, educators, farm experts and dozens of other kinds of skills, all of which can be contributed without political commitment.

To this end I call upon the President to instruct the U.S. Ambassador to the United Nations to formally request such non-military, non-political assistance from the member nations. There can be no worthier undertaking, especially by those European nations which once were the recipients of help themselves.

Second, that the land reform long promised the South Vietnamese farmers be put into effect in a speedy and inclusive manner. Political and security problems do make land redistribution and compensation more difficult to bring about, but they do not make this task impossible. Premier Ky's Government has done virtually nothing to implement the land reform laws already on the books, and the United States Government has not really prodded Ky. In the major fertile regions of Long An Province and the Mekong Delta about eighty-five percent of the land is farmed by tenants. Some three thousand rich Saigon families still own most of the arable land in South Vietnam.

Our own record on land reform is not much better than Ky's. From 1961 to 1965, we did not budget one cent for land redistribution, and the budget for the current fiscal year is only $1.1 million. It is estimated that about $150 million in local currencies could provide outright compensation, and solve the problem almost in a single stroke. It would be a worthwhile investment, especially in view of the fact that the Vietcong has not as yet fully delivered on its promise to hand out land titles on a mass basis. The farmer may well give his loyalty to whomever gives him the deed to his own land first.

Third, that we take greater care and make more utilization of the refugees.

During the last two years, over one million South Vietnamese have become refugees, that is one-sixteenth of the total population. Half of this number is still living in temporary shelters, while the other half has either returned to their villages or been temporarily relocated. As we are spending $25 billion this year on the military effort in Vietnam, the $20 million we will spend on refugees and the $13.5 million being spent by the Saigon Government is much too small. Not only can we provide them with more direct aid, but we can also alleviate their homeless status by creatively tying their resettlement to land reform. If more attention and care is given to these rootless and unfortunate people, they can become powerful allies in keeping the country out of communist hands.

Fourth, another pivotal and potentially invaluable group are the Vietcong defectors. The Chieu Hoi or "Open Arms" Returnee Program has received far too little attention by our press and by the South Vietnamese Government itself. After a brief period of care and debriefing, these defectors are virtually sent out to fend for themselves. There is no real program to integrate them back into South Vietnamese society. Despite Saigon's indifference, the Chieu Hoi idea shows great promise. In 1965, there were over 11,000 Vietcong defectors, and in the first half of this year, there have been about 10,000. These people can be rehabilitated, join the ARVN, or take their place in civilian life as strong opponents of the Vietcong. There is no group that is potentially more important than this one, and we should try and bring Saigon to this realization.

The conflict in the shadows that I have been talking about today is really the story of revolution, in fact, the story of two revolutions (one political, the other, social and economic) in Vietnam rolled into one. In the history of the West, we were fortunate in having the time to separate the two revolutions, to establish political legitimacy, stability, and democracy before undergoing the strains and jolts of social reform. The fact that we had on-going political institutions and responsive political parties meant that changes in other sectors of society could be brought about with a minimum of violence, and widespread acceptance. Our Magna Cartas, Declarations of the Rights of Man, and Declarations of Independence preceded and fostered our efforts to provide our citizens with the opportunity to be free as well as the right to be free.

South Vietnam must compress the two revolutions in time. It must give a sense of political participation at the same time as it reorders the rewards of life. Only then can we and the South Vietnamese win the guerrilla war, the conflict in the shadows, the outcome of which is so heavily dependent on the will of the people rather than armies.

VIETNAM: U.S. DIPLOMACY AND TERMS OF PEACE

(The following are the remarks of Senator JACOB K. JAVITS delivered on the Senate Floor, Wednesday, September 28, 1966.)

The Administration's peace proposals made through Ambassador Goldberg at the opening of the U.N. General Assembly shows at once the present difficulty of trying to bring about negotiations on Vietnam and the need to persist diplomatically despite the rebuffs.

The outcome of our U.N. effort and my lack of optimism about a negotiated settlement in the near term notwithstanding, our diplomacy ought not to come to a standstill. No matter how rigid the other side remains and no matter what help we receive from world opinion, we must continue the responsibility of seeking peace through all sources.

In this context, the Manila Conference announced yesterday is certainly desirable as a show of Asian-U.S. unity over Vietnam policy. But, it would be unfortunate if the Manila Conference, like the Honolulu Conference, promised much and accomplished little. The gap between the reforms pledged at Honolulu and the reforms carried out by the Saigon Government still remains embarrassingly large. Therefore, I urge the President to clarify his objectives and to make sure they are attainable, and not to raise expectations that cannot be fulfilled.

In order to establish a diplomacy for tomorrow in Vietnam, we must look at what our positions have been in the past, their strengths and the weaknesses. Moreover, we must look into the particularities and specifics of what there is to be bargained, for only by facing up to the details of the peace now can we have the courage and willingness to negotiate later. We must also search out those areas in which we can lay the groundwork for peace—despite rejection from the other side, and here I am thinking specifically about strengthening the International Control Commission. Finally, because there is no time to wait for the history books, we must learn the lessons of Vietnam now, lessons to help us avoid or better manage similar crises for peace that are bound to occur elsewhere in the world.

The irony of the recent peace initiative is that its rejection will result in mounting pressures for escalation of force in Vietnam. Many now will argue that diplomatic offensives are a waste of time, and that a military victory is the only answer. Many will now say that the President is free to pursue the war and forget the peace. This attitude must be resisted.

While the Administration's U.N. proposals in themselves may not have brought us closer to peace in Vietnam, they may have shown us another way of seeking it. *The positive reaction outside of the Communist bloc to the speech may have shown that the way to Hanoi and the NLF is not through Moscow or Peking, but through world opinion.*

If the message got through that *we* are genuinely pursuing a way out, our diplomacy was a success. If the message was properly understood, world opinion should now recognize that it has a role to play. Sensible Americans recognize that we cannot seek "unconditional surrender", and leaders and people around the world must recognize that we will not accept an ignominious peace. The burden of reconciliation now rests on those who have stood on the sidelines as well as on ourselves.

It is to these problems and issues to which I would like to address myself in this fourth and final speech in a series on Vietnam.

OUR POLICY OF SEEKING NEGOTIATIONS

While our policy of seeking negotiations regarding Vietnam has gone through periods of confusion, indecision, and hesitancy, it has continuously been sincere and it is now basically sound. All those who have not closed their minds on the subject recognize that the U.S. really does desire a negotiated way out of Vietnam. The issue, however, is not whether we want a negotiated settlement; it is this: Are our actions and our words likely to bring such negotiations about and, are Hanoi and the NLF likely to respond to anything less than the acceptance of about their present demands? In other words, it is not the intent, but the content of our proposals that counts.

Until the Administration's proposals at the U.N., the thrust of our diplomacy has been the offer of "unconditional discussions" and "negotiations without preconditions." Some argued that the very open-ended nature of the latter policy made it difficult and impractical for the Communists to respond, that a conference on this basis would undermine the morale of the communist troops

fighting in the South without the promise of a satisfactory result.

Instead, these critics maintained that the way to the peace table was our acceptance of the three point plan of U Thant. U Thant has proposed: 1) the cessation of bombing of North Vietnam; 2) the scaling down of all military activities in South Vietnam; and 3) the willingness of all sides to enter into discussions with those who are actually fighting.

The Administration's proposals made by Ambassador Goldberg were almost identical. On the first point, he said that the bombing will stop "the moment we are assured privately or otherwise" that the step will be answered by "corresponding and appropriate de-escalation on the other side." Our asking for reciprocity whereas U Thant wants a unilateral move is not a vital difference. Hanoi itself never insisted on this. The same holds true for the second point, where Ambassador Goldberg said we were ready to withdraw our forces "as others withdraw theirs" under international supervision. In regard to negotiating directly with the NLF, Goldberg invited Hanoi to consider whether this obstacle "may not be more imaginary than real."

While I still believe that we ought to formally offer the NLF separate, belligerent and negotiating status, I believe that this is not the reason why Hanoi has rebuffed our offer.

The upshot of what I am saying is that there is little we can do now—outside of outright concession to Hanoi's Four Point Program of a quick and irrevocable Communist takeover in South Vietnam—to bring the other side to the peace table. Nor can we count on the Soviet Union to do anything that Hanoi rejects.

In effect, we must realize that Hanoi and the NLF will resist all attempts to get them into a position of having to accept a compromise settlement. The only way to alter their policy is by convincing them beyond doubt that we intend to stay in Vietnam as long as necessary to back up our commitment, and that the South Vietnamese Government can be legitimatized and can make a go of it.

In the meantime, our diplomacy must face up to one pitfall and danger—that, as Karl von Clausewitz, the dean of military historians warned, all military conflicts tend to outstrip political objectives and develop a logic of their own. Even as our commitment in forces increases, we must guard against letting military exigencies dominate our diplomacy. Substantive escalation like mining Haiphong, or bombing Hanoi, or invading the demilitarized zone, or bombing airfields, could foreclose further diplomacy.

THE NEED TO PREPARE FOR NEGOTIATIONS

We have and we must continue to maintain the peace initiative, but doing so requires more than offering to talk; it necessitates deciding the details of a negotiating position. In case the improbable becomes likely, we must be prepared. Unless we develop the specifics of a bargaining position, the natural tendency is to shy away from negotiations, or to drag them out. Position papers like this are usually prepared by the bureaucracy, but given scant attention by the actual decision-makers.

The cost of not preparing the details is high—the loss of additional lives on the battlefield as the negotiators wait for more complete directives and fall-back positions. The Korean War and World War I showed how dear was the price of this delay. The agony of Panmunjon will not be forgotten by the people of the U.S.

When I say we ought to go through this detailed process now, I do not mean that these negotiating positions should be final and unalternable. Naturally, as the situation in Vietnam undergoes qualitative changes, our specific bargaining plans will change as well. My point is that we must be ready at each stage and period to talk without delay.

There are eight basic areas to cover.

1. What is to serve as the basis of the talks? Do we really want to return to the Geneva accords of 1954, and is it still feasible to do so? Peking has stated flatly that the Geneva provisions are no longer satisfactory, and some elements in South Vietnam, for different reasons, share this view.

2. What is to be the agenda of the peace conference? Will the settlements be restricted to Vietnam or will they include all of Southeast Asia? Many argue that Vietnam is just a part of the greater regional problem of instability, and that it cannot be resolved on its own terms. Internecine war is still going on in Laos, and the tempo of guerrilla war is picking up in Thailand. Will the Vietnam talks be the time and place to settle these as well?

3. Who is to participate in the talks? This, of course, depends on the areas and issues to be bargained. Moreover, we must ask ourselves what nations are relevant to what kinds of settlements, and which nations would facilitate or impede settlements? The U.S. has given strong implications that the NLF will have no difficulty being represented at the conference. But, it is time that we accord them independent status in clear and unmistakable terms. I urge the President to make such a statement; it will clear the air!

4. Is it feasible to have a cease fire before negotiations begin, or will a cease fire be one of the settlements? In all likelihood, it will be difficult to completely halt guerrilla activities before other agreements are reached, and we should, therefore, focus on other means of reducing the violence. An internationally supervised military freeze on the introduction of additional troops into South Vietnam might then be the best alternative.

5. How is troop withdrawal to be supervised and what time limits are to be imposed? We have stated repeatedly that we want to remove our fighting men as quickly as possible, but we may not be able to move as quickly as we like until the vacuum is otherwise filled.

6. If neutralization is to be the diplomatic solution, what are to be the specific prohibitions on and rights of the neutralized states, and how and by whom is neutralization to be guaranteed? The latter is really the vital matter, for while it is relatively easy to agree on a neutral status, it is very difficult to arrange the diplomatic machinery to trigger corrective action if terms are violated.

7. Is reunification of North and South Vietnam in the foreseeable future still possible and desirable, and if it is still desirable, by what methods can it be ascertained? Are there to be nation-wide elections, elections in South Vietnam alone, and how are they to be supervised? If elections are not the answer, should we leave the problem to direct negotiations between Hanoi and Saigon? Is there to be any time limit as in the previous Geneva accords?

8. What projects for regional development are we prepared to back, (i.e. Mekong Delta)? Are both Vietnams to participate, and what other nations are to be included? The forthcoming Manila Conference would be a good place to consider and further such projects.

All this may seem very far away, but the questions are hard ones and will take time to answer. The answers are made more difficult by the fact that we have to prepare not only what we want, but where we are prepared to compromise. The time to start is now.

STRENGTHENING THE INTERNATIONAL CONTROL COMMISSION

While all we can do about bringing Hanoi and the NLF to the peace table is hope, plan, and persevere, there is one concrete action we can try to take to facilitate negotiations if and when they should come about. We can urge relevant and concerned nations to take a number of steps to strengthen the International Control Commission for Vietnam. Established by the 1954 Geneva Agreement, the ICC (composed of India as Chairman, Canada, and Poland) is, under Article 36 of the Treaty, responsible for the "tasks of control, observation, inspection and investigation" of the treaty terms.

There is no established juridical way of making changes in the ICC. Since the parent body, the Geneva Conference, made no provision for its own continued operation or re-call, an argument can be made that changes are possible without the formal Geneva sanction. As a practical matter, the support of the Soviet Union and United Kingdom would be required, and the diplomatic initiative should probably come from the ICC powers themselves. Change will not be easy to arrange, but it is certainly worth the try.

Despite lack of cooperation from Hanoi and occasional obstruction in Saigon, the ICC is still operative. Indeed, two signs point to the fact that even the Communist powers recognize its importance, plan for its future use, and do not want to destroy its viability. While Communist China and North Vietnam no longer contribute funds for ICC operations, the Soviet Union and Poland do. And while North Vietnam does not encourage the ICC, it does allow one ICC team to remain in Hanoi, and it does with regularity report all "imperialist violations" of the 1954 Treaty to the ICC.

The ICC has demonstrated its integrity over the years by condemning with equal force treaty violation by all sides. The unfortunate truth is, however, that due to a number of problems—financial, technical, and the growing indifference of the parties concerned—the usefulness of the ICC is being sapped. If, over a period of time and with the cooperation of the Soviet Union and Poland, measures are taken to bolster this body, it can still perform a vital diplomatic function.

To this end, I propose:

First, that the financing of the ICC be increased by a call for voluntary contributions from all nations, particularly contributions from Asian nations. Under the present arrangement, the ICC powers themselves bear the bulk of the total costs, and France, Communist China, and North Vietnam no longer pay their shares.

Second, that the ICC be enlarged by two additional Asian powers (perhaps Japan and Burma) and that its voting procedures be changed accordingly. Adding two Asian members would help the sagging prestige of the ICC and would give the Commission a predominantly Asian character. Under the present voting system, the ICC can make recommendations only by unanimous vote. But if the Commission were enlarged, a majority vote would be more meaningful and important and recommendations from an objective source could be obtained.

Third, that an ICC Secretariat be bolstered to cope with the problems of language translation, general staff work, and over-all supervision. The ICC cannot technically manage its affairs without this kind of backstopping.

Fourth, that the ICC be provided with more extensive transportation and communications facilities. Presently, the ICC is totally dependent on the host countries for necessary facilities like helicopters. It is impossible for the mobile inspection teams to do their job if the violators themselves can prevent or impede inspection of violations.

I am not claiming that a strengthened ICC can perform miracles, or that it can even be strengthened without acceptance by the other side, or that it can meet its responsibilities without the cooperation of the parties directly concerned. I am saying that the

ICC should be strengthened for a time when the parties will be willing to use it again. At that time, they must have confidence that the ICC can do the job.

THE LESSONS OF VIETNAM

It has been said that the strength of a government lies in its ability to learn from mistakes and alter behavior accordingly. Thucydides, writing of the Peloponnesian War, put the matter another way: "Those who do not understand history are condemned to repeat it." In today's world, we cannot wait for tomorrow to see which way to go.

However the vital matter of negotiations evolves, we have learned some crucial lessons in Vietnam, lessons that should affect how we act elsewhere. We have learned that: 1) the problem of Communist China simply cannot be ignored, that we must face and accommodate ourselves to this international fact of life; 2) East-West relations are still very fragile, and the Soviet Union cannot be counted upon to pursue peace where it conflicts with Communist bloc interests; 3) the United Nations is unable to take action to mediate and conciliate in so-called "wars of national liberation"; and 4) U.S. policy still lacks a clear design and the very extent of our responsibilities harries us to proceed in reaction to crises. Under such circumstances our power, unless it is buttressed by reformed and realistic regional organization, will be exercised in growing isolation.

Communist China, no matter how much we deplore its domestic and foreign policies, is the key factor in Asia. It is a fact we cannot change without World War III. Given the ideological fanaticism of its leaders, there is little we can do to smooth relations. All we can do until there is an internal adjustment in Peking is to frustrate Communist China's external designs while, at the same time, to reassure its own territorial inviolability.

A very important by-product of the war in Vietnam has been the increasing awareness of the American people of these facts. For the first time in over a decade, we have been able to discuss Communist China without hysteria and fear. Because of this, our Government has been able to endorse a new policy of "containment without isolation," a policy which will in time lead to improved relations. Indonesia and North Korea have recently fallen from Peking's grip. If we are level-headed about it, others may follow.

If the reevaluation of our China policy has been a positive sign, the exposure of the fragility of U.S.-Soviet relations has been a negative one. Many had come to believe that despite tense moments both nations were pursuing a detente policy. Vietnam has demonstrated that the Kremlin now is subordinating understandings with the U.S. to the maintenance of Moscow's leadership in the Communist bloc.

This does not mean that we should throw in the towel on a detente. It does mean that we should seek to put our relations on a more specific base in areas where it is possible. Agreements on outer space, the non-proliferation of nuclear weapons, and further trade ties have yet to be made. These are attainable and are needed to give some substance to the form of detente. Otherwise, the Soviet Union's stake in peace will continue to be at the price of U.S. misfortune.

Another unfortunate point brought home by Vietnam is that the United Nations cannot be counted upon to deal with "wars of national liberation." The U.N. can play a key role when all the Great Powers want it to (as in the Arab-Israel dispute), when a former colonial power attempts to reassert its control (as in the Congo), and when parties to a dispute explicitly request U.N. action. With the exception of the Korean War, the U.N. has not been active in mediating Asian conflicts. I see no sign that this will change. This means that the U.S. will have to seek Asian settlements on a regional basis—through cooperation with non-communist Asian forces. Hopefully, the forthcoming Manila Conference could be an important step in this direction.

A final lesson of Vietnam points both to the predicament of U.S. policy and the direction it ought to take. The predicament is that the global nature of U.S. interests and commitments makes it difficult to plan our involvements and apportion our resources. With all the rapid and unpredictable change occurring in the world, we shall continually be faced with situations that are largely beyond our control. While it may look differently to others, we cannot afford nor are we interested in being the "policeman of the world."

But while Vietnam emphasizes this predicament, it also shows the way out—the growth and consolidation of regional organizations. If we cannot and will not be the policeman, we will have to enable others to tend to their own affairs. The seeds of regionalism are being planted in Asia. Our hopes and energies must be pinned to the Indus River and Mekong River projects, the Asian Bank, the Southeast Asian educational and technical arrangements make in Bangkok last November, the Association of Southeast Asia, and the Asian and Pacific Conference. Most importantly, we must make it perfectly clear to the countries of Asia that we intend to shift the burden on to them. We must convince them that they will have to learn to act together if they are to obtain our support. It is my hope that the Manila Conference will also help to solidify this kind of Asian cooperation.

International relations are built upon uncertainty and risk; there is no escaping them. What we can do is to try to minimize their disruptiveness by building regional influences for political stability and social and economic progress.

REGULATORY AND SUPERVISORY AUTHORITY OF FEDERAL AGENCIES OVER INSURED BANKS AND SAVINGS AND LOAN ASSOCIATIONS—CONFERENCE REPORT

Mr. ROBERTSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3158) to strengthen the regulatory and supervisory authority of Federal agencies over insured banks and insured savings and loan associations, and for other purposes. I ask unanimous consent for the present consideration of the report.

The ACTING PRESIDENT pro tempore. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of October 12, 1966, pp. 26211–26212, CONGRESSIONAL RECORD.)

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. ROBERTSON. Mr. President, I am happy to report that the House and Senate conferees appointed to consider the disagreeing votes of the two Houses on S. 3158, the Financial Institutions Supervisory Act, reached agreement after long and hard argument. The House conferees stubbornly persisted in supporting the position of the House, and I think it is not an overstatement to say that the Senate conferees persisted equally stubbornly in supporting the position of the Senate. We held two conflicting positions. One group was for a permanent regulatory bill without any increase in the ceiling on insured accounts. The other group was for a $20,000 ceiling, which is double the present ceiling, with very temporary ceilings—only a bit more than 18 months.

Eventually agreement was reached by compromising the three main issues: First, on the House proposal to increase FDIC and FSLIC insurance from $10,000 to $20,000, which was not in the Senate bill, the conferees agreed on a $15,000 figure; second, on the House proposal to limit to 21 months the effectiveness of the supervisory powers given in the Senate bill, the conferees agreed on an expiration date of June 30, 1972 for the supervisory powers—5 years and 9 months; and third, on the Senate proposal that administrative hearings should be private unless the party and the administrative agency agreed to public hearings, which the House had changed so as to call for public hearings in most cases, the conferees agreed that the hearings should be private unless the Board should determine that a public hearing would be necessary to protect the public interest.

In addition to these three controversial issues, the Senate accepted the House proposal to authorize the acquisition by savings and loan holding companies of savings and loan associations in financial difficulties. This provision was in substance the same as section 513 of S. 3711, the Housing and Urban Development Act of 1966, passed by the Senate on August 10, which had been recommended by the Federal Home Loan Bank Board.

The Senate also accepted amendments to section 3 of the Federal Deposit Insurance Act and section 405 of the National Housing Act which would permit the Federal Deposit Insurance Corporation and the Federal Savings and Loan Insurance Corporation to define and clarify the extent of insurance coverage and prevent abuses thereof.

Both of these insurance corporations have felt the need for action to make insurance coverage more explicit, and they have been working together in recent months to arrive at uniform positions on the extent and limits of insurance coverage. The two agencies have stated that these provisions would be extremely helpful to them.

It is not expected that regulations issued under this authority would affect the separate insurance coverage presently afforded an account owned by a husband, an account owned by his wife, and an account owned by both of them as joint tenants. However, it would enable the insuring agencies to bar the use of devices such as numerous joint accounts in various combinations, multiple numbered accounts, or revocable trust accounts to obtain insurance far in excess of the limits established by Congress. With the increase in insurance coverage to $15,000 effected by this bill, the savings of the small saver or typical household can be adequately protected without permitting the use of a variety of

forms of accountholding aimed primarily at increasing insurance coverage still further.

The Senate also accepted an amendment which limited the circumstances under which cease and desist orders relating to conditions imposed in writing can be issued, to cases where the condition was imposed in connection with the granting of an application or other request by the institution.

The Senate bill contained no increase in the amount of insurance by FDIC and FSLIC. The Senate had held no hearings on this important subject, and the Senate conferees were reluctant to accept this amendment, in the absence of thorough hearings and in the absence of full consideration by the Senate. However, the Senate conferees had the benefit of letters from the agencies, including particularly the Federal Deposit Insurance Corporation and the Federal Home Loan Bank Board, which took the position that an increase of insurance to $15,000 would not impair the soundness of the insurance funds, if the increase were accompanied by the additional supervisory powers provided in S. 3158. These letters were printed in the CONGRESSIONAL RECORD on October 6, 1966, along with letters from associations representing the affected industries. They appear at pages 25521–25524 of the CONGRESSIONAL RECORD.

Since the House conferees were adamant in their position that some increase in insurance be granted in accordance with the position of the House, and since the Senate conferees had the assurance of the insuring agencies that an increase to $15,000 would not be financially unsound if additional supervisory powers were granted, the Senate conferees finally agreed to the increase in insurance from $10,000 to $15,000 per account.

While the Senate conferees held strongly to the Senate's views that the supervisory powers provided in S. 3158 should be permanent, they could not persuade the House conferees that no termination date was necessary. However, the compromise date, June 30, 1972, provides an adequate period—5 years and 9 months—to gain experience as to whether the provisions of the act will prove effective and satisfactory. Accordingly, the Senate conferees agreed to this provision believing that the basic principle behind the Senate's position had been achieved.

One of the reasons for the temporary nature of the bill was that some officials of financial institutions, against whom cease-and-desist orders or suspension-and-removal orders might be issued under the bill, felt that the bill might deliver them into the hands of arbitrary and bureaucratic officials and feared that the appeal to the courts provided by the bill might do them no good. We feel that fears expressed on this account are not well founded. This issue revolved in part around the substantial evidence rule prescribed in the Administrative Procedure Act and reaffirmed by the Senate Judiciary Committee and the Senate in its consideration and passage of S. 1336 this year. The House, in considering S. 3158, decided to follow the substantial evidence rule of the Administrative Procedure Act, and deleted a provision in the bill before the House which would have substituted the so-called weight of the evidence rule. In order to make clear the meaning of the substantial evidence rule as interpreted by the courts, it seems appropriate to include in my remarks a quotation from that distinguished jurist, Mr. Justice Frankfurter in *Universal Camera Corp.* v. *National Labor Relations Board* (340 U.S. 474, 487–489). In this opinion the Justice fully demonstrates that a mere trivial amount of evidence is not enough to support an administrative ruling, and that the Court must review the whole record of the case and must decide, after giving due consideration to the expertise of the agency, where this is appropriate, whether the evidence supporting the ruling is substantial in the light of the entire record, not just bits and pieces selected from the record.

I ask unanimous consent to insert an excerpt from this opinion in the RECORD at this point.

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

It is fair to say that in all this Congress expressed a mood. And it expressed its mood not merely by oratory but by legislation. As legislation that mood must be respected, even though it can only serve as a standard for judgment and not as a body of rigid rules assuring sameness of application. Enforcement of such broad standards implies subtlety of mind and solidity of judgment. But it is not for us to question that Congress may assume such qualities in the federal judiciary.

From the legislative story we have summarized, two concrete conclusions do emerge. One is the identity of aim of the Administrative Procedure Act and the Taft-Hartley Act regarding the proof with which the Labor Board must support a decision. The other is that now Congress has left no room for doubt as to the kind of scrutiny which a Court of Appeals must give the record before the Board to satisfy itself that the Board's order rests on adequate proof.

* * * * *

Whether or not it was ever permissible for courts to determine the substantiality of evidence supporting a Labor Board decision merely on the basis of evidence which in and of itself justified it, without taking into account contradictory evidence or evidence from which conflicting inferences could be drawn, the new legislation definitely precludes such a theory of review and bars its practice. The substantiality of evidence must take into account whatever in the record fairly detracts from its weight. This is clearly the significance of the requirement in both statutes that courts consider the whole record. Committee reports and the adoption in the Administrative Procedure Act of the minority views of the Attorney General's Committee demonstrate that to enjoin such a duty on the reviewing court was one of the important purposes of the movement which eventuated in that enactment.

To be sure, the requirement for canvassing 'the whole record" in order to ascertain substantiality does not furnish a calculus of value by which a reviewing court can assess the evidence. Nor was it intended to negative the function of the Labor Board as one of those agencies presumably equipped or informed by experience to deal with a specialized field of knowledge, whose findings within that field carry the authority of an expertness which courts do not possess and therefore must respect. Nor does it mean that even as to matters not requiring expertise a court may displace the Board's choice between two fairly conflicting views, even though the court would justifiably have made a different choice had the matter been before it *de novo*. Congress has merely made it clear that a reviewing court is not barred from setting aside a Board decision when it cannot conscientiously find that the evidence supporting that decision is substantial, when viewed in the light that the record in its entirety furnishes, including the body of evidence opposed to the Board's view.

There remains, then, the question whether enactment of these two statutes has altered the scope of review other than to require that substantiality be determined in the light of all that the record relevantly presents. A formula for judicial review of administrative action may afford grounds for certitude but cannot assure certainty of application. Some scope for judicial discretion in applying the formula can be avoided only by falsifying the actual process of judging or by using the formula as an instrument of futile casuistry. It cannot be too often repeated that judges are not automata. The ultimate reliance for the fair operation of any standard is a judiciary of high competence and character and the constant play of an informed professional critique upon its work.

Since the precise way in which courts interfere with agency findings cannot be imprisoned within any form of words, new formulas attempting to rephrase the old are not likely to be more helpful than the old. There are no talismanic words that can avoid the process of judgment. The difficulty is that we cannot escape, in relation to this problem, the use of undefined defining terms.

Whatever changes were made by the Administrative Procedure and Taft-Hartley Acts are clearly within this area where precise definition is impossible. Retention of the familiar "substantial evidence" terminology indicates that no drastic reversal of attitude was intended.

But a standard leaving an unavoidable margin for individual judgment does not leave the judicial judgment at large even though the phrasing of the standard does not wholly fence it in. The legislative history of these Acts demonstrates a purpose to impose on courts a responsibility which has not always been recognized. Of course it is a statute and not a committee report which we are interpreting. But the fair interpretation of a statute is often "the art of proliferating a purpose," *Brooklyn National Corp* v. *Commissioner*, 157 F. 2d 450, 451, revealed more by the demonstrable forces that produced it than by its precise phrasing. The adoption in these statutes of the judicially-constructed "substantial evidence" test was a response to pressures for stricter and more uniform practice, not a reflection of approval of all existing practices. To find the change so elusive that it cannot be precisely defined does not mean it may be ignored. We should fail in our duty to effectuate the will of Congress if we denied recognition to expressed Congressional disapproval of the finality accorded to Labor Board findings by some decisions of this and lower courts, or even of the atmosphere which may have favored those decisions.

We conclude, therefore, that the Administrative Procedure Act and the Taft-Hartley Act direct that courts must now assume more responsibility for the reasonableness and fairness of Labor Board decisions than some courts have shown in the past. Reviewing courts must be influenced by a feeling that they are not to abdicate the conventional judicial function. Congress has imposed on them responsibility for assuring that the Board keeps within reasonable grounds. That responsibility is not less real

because it is limited to enforcing the requirement that evidence appear substantial when viewed, on the record as a whole, by courts invested with the authority and enjoying the prestige of the Courts of Appeals. The Board's findings are entitled to respect; but they must nonetheless be set aside when the record before a Court of Appeals clearly precludes the Board's decision from being justified by a fair estimate of the worth of the testimony of witnesses or its informed judgment on matters within its special competence or both.

Mr. ROBERTSON. Mr. President, I call attention also to *Consolo* v. *Federal Maritime Commission* (383 U.S. 607, March 22, 1966), citing Universal Camera Corp. against National Labor Relations Board.

Another reason which caused concern over the supervisory provisions of the Senate bill and, therefore, may have led to the wish to make the supervisory powers temporary in order to insure their review was the belief that the references to unsafe and unsound practices created novel standards. This problem is discussed at length in a memorandum from the Chairman of the Federal Home Loan Bank Board, and I ask unanimous consent to have it inserted in the RECORD at this point.

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

MEMORANDUM ON "UNSAFE OR UNSOUND PRACTICES" AS A BASIS FOR ISSUANCE OF A CEASE-AND-DESIST ORDER

At the outset, it should be noted that the term "unsafe or unsound," as used in the cease-and-desist provisions of S. 3158, is not a novel term in banking or savings and loan parlance. The words "unsafe" or "unsound" as a basis for supervisory action appear in the banking or savings and loan laws of 38 States. For more than 30 years, "unsafe or unsound practices" have been grounds for removal under section 30 of the Banking Act of 1933, of a director or officer of a member bank of the Federal Reserve System. See 12 U.S.C. 77. It has been grounds since 1935 for the termination of insurance of a bank insured by the Federal Deposit Insurance Corporation. See 49 Stat. 690, 12 U.S.C. 1818(a). "Unsafe or unsound practices" have also been grounds for termination of the insured status of an insured savings and loan association since the 1954 amendment to section 407 of the National Housing Act. See 68 Stat. 633, 12 U.S.C. 1730.

However, despite the fact that the term "unsafe or unsound practices" has been used in the statutes governing financial institutions for many years, the Board is not aware of any statute, either Federal or State, which attempts to enumerate all the specific acts which could constitute such practices. The concept of "unsafe or unsound practices" is one of general application which touches upon the entire field of the operations of a financial institution. For this reason, it would be virtually impossible to attempt to catalog within a single all-inclusive or rigid definition the broad spectrum of activities which are embraced by the term. The formulation of such a definition would probably operate to exclude those practices not set out in the definition, even though they might be highly injurious to an institution under a given set of facts or circumstances or a cheme developed by unscrupulous operators to avoid the reach of the law. Contributing to the difficulty of framing a comprehensive definition is the fact that particular activity not necessarily unsafe or unsound in every instance may be so when considered in the light of all relevant facts. Thus, what may be an acceptable practice for an institution with a strong reserve position, such as concentration in higher risk lending, may well be unsafe or unsound for a marginal operation.

Like many other generic terms widely used in the law, such as "fraud," "negligence," "probable cause," or "good faith," the term "unsafe or unsound practices" has a central meaning which can and must be applied to constantly changing factual circumstances. Generally speaking, an "unsafe or unsound practice" embraces any action, or lack of action, which is contrary to generally accepted standards of prudent operation, the possible consequences of which, if continued, would be abnormal risk or loss or damage to an institution, its shareholders, or the agencies administering the insurance funds. The categories set out below are illustrative:

1. Solicitation of capital on the basis of dividend rates in excess of the association's ability to pay except by resorting to high-risk loans; and the acceptance of savings subject to the condition that the person directly or indirectly placing the savings capital in the institution would be granted loans by the institution involving risks which the association would not otherwise assume.

2. Investments in loans on the basis of overappraisals of the security property; overconcentration of loans to speculative builders or in loans in declining or rundown areas; disbursement of loan funds on construction in progress without proper safeguards for the association's security for the amounts advanced; loans to builders who are already delinquent on loans secured by properties that the market cannot absorb; disregard of a borrower's incapacity and inability to repay his loan; and lack of any systematic collection program.

3. Management and disposition of property, acquired through foreclosure, in a manner which fails to convert the assets into income producers; accounting procedures which fail to show correctly the condition, operation, and trends of the institution, thus providing misleading information for management decisions; lax control of expenses; careless physical control of the assets; excessive advertising or other costs beyond the ability of the association to absorb the expenses; maintenance of substantial compensating balances in banks for the benefit of others; diversion of fee income to others without benefit to the association; failure to provide for adequate liquidity; and failure to make adequate transfers to reserves for absorbing losses.

The attachment hereto, which contains extracts from some of the Board's "section 407 letters" commencing termination of insurance proceedings against problem institutions, provides specific examples of the type of activities which have formed the basis of the Board's charges of "unsafe or unsound practices" in actual cases. It should be understood that in cease-and-desist proceedings based on such grounds under S. 3158, there would have to be a factual showing on the record which succeeds in convincing the hearing examiner or the Board, and then the reviewing court, that the particular practice in the particular case should be characterized as "unsafe or unsound," and a cease-and-desist order issued.

ATTACHMENT TO MEMORANDUM ON "UNSAFE OR UNSOUND PRACTICES"

I

[The associations has carried on an advertising campaign of excessive cost in relation to its gross operating income, such cost during each of the three 6-month dividend periods preceding March 31, 1963, having been from 13.5 to 17.4 percent of gross operating income, whereas the cost of advertising for insured savings and loan associations of comparable size in Cook County, Ill., average 2.6 percent of gross operating income.

Largely by means of [the association's] giveaway program, its use of brokers, and its advertising campaign, as set forth in subparagraphs (a), (b), and (c) of this paragraph, it has increased its savings capital at a rate far greater than its management has been able to invest in sound mortgage loans [as evidenced in part by the fact that, "delinquent loans and real estate owned totaled $458,000, or 4 percent of net assets at November 21, 1961, but had increased to $3.8 million or 12 percent of net assets at March 31, 1963"], its savings capital having increased from $2.2 million, as of September 24, 1960, to $29.2 million, as of March 31, 1963.

Without prior approval of the association's board of directors, the said [chairman of the board of directors of the association] caused the association to pay out approximately $1,200,000 to contractors for the installation of alleged "lease-hold improvements" to the building later occupied by the association. Part of said funds were expended for improvements benefiting the entire building, and thus were for the personal benefit of the said [chairman of the board of directors of the association, who owned the building] and his wife.

The said [chairman], on April 3, 1963, without authority or subsequent ratification by the association's board of directors, caused the association to pay out, for his personal use and benefit, approximately $550,000, allegedly for "advance rent" for occupancy of the new building by the association. Although the association's board of directors has requested repayment of such funds, the said [chairman] has repaid only approximately $50,000 thereof.

II

As early as 1962, the association entered into a program of out-of-State advertising and use of brokers to effect an abnormally rapid savings capital expansion. For the 2-year period 1963–64, the savings capital expanded by approximately 270 percent, from $7 million to $26 million. In spite of savings capital growth of $9.7 million during 1964 the association generated additional loanable funds by the sale of $6.7 million of participations and $1.1 million of advances from the Federal Home Loan Bank of San Francisco. Concurrent with the increase in loanable funds, the association entered into a hazardous lending program as follows:

"During 1963, the loan portfolio was increased by $16 million, or 200 percent; * * * During 1964, the association granted $13.6 million loans (one-third for construction) despite indications of overbuilding.

"The association failed, in approving loans, to consider the borrower's credit history, stability, character and ability, or intent to repay. The association granted 26 loans aggregating over $900,000 to a multiple borrower whose credit report disclosed a slow payment performance and three prior bankruptcies. As of November 11, 1963, that borrower accounted for 37 percent of the $2 million of delinquent loans, and was again in bankruptcy. As of February 22, 1966, 27 borrowers were involved in bankruptcy proceedings."

III

During the period set forth in paragraph 1 above and in various instances in connection with the loans therein specified and others, [the association] made and disbursed loans without regard for the financial responsibility of the borrowers, without any security, without proper regard for the adequacy of the security, in advance of the progress of construction, without proper inspection of the progress of construction, without determining that loans were secured by first liens, without adequate appraisals or on the basis of appraisals furnished by borrowers; it unduly concentrated its loan risk both as to

borrower and as to security properties; and it delegated the responsibility for the disbursement of loan proceeds to a company affiliated with large borrowers, including the proceeds of loans made to borrowers affiliated with such company without the exercise of proper control over, or accountability for, such funds.

Despite the increase in delinquent loans and in other low-earning problem assets which have caused prospective losses and have also caused such a deterioration in earnings as to render income insufficient to pay promised dividends and to meet the need for reserve allocations, as more fully described below, the association has continued and still continues [during 1962] its widespread advertising campaign for savings on a promise of continuance of the 4½ percent dividend plus one-half percent bonus on accounts remaining over 4 years.

IV

Construction lending represented 35 percent of the loans granted during this period and the procedures used in processing this heavy concentration were inadequate, in that plans and specifications were not on file; inspection reports were not on file to indicate that property inspections had been made prior to disbursements; sufficient funds were not retained in the loans-in-process account to insure completion of construction; and cash deposits or lien waivers were not obtained for the full difference between the estimated cost of construction and the amount of the loan.

V

In the face of the rapid increase in the association's slow loans and real estate owned over the past 2 years, as detailed in paragraph (b) above, the association has granted new loans, in substantial amounts, to builders and/or speculators then delinquent in their payments on other loans, and has granted new loans, at higher loan amounts, to builders and/or speculators on the security of properties which were the security for previous delinquent loans to other builders and/or speculators.

As examples—

* * * During 1962, the association granted 112 loans, each in the amount of $19,600, to finance the construction of townhouses. Between April and July 1963, when the 112 townhouses were completed but all of these loans were delinquent, the loans were repaid out of the proceeds of 112 new loans on the same properties, each in the amount of $21,800, to 3 new borrowers having little or no equity in the properties. An additional 51 loans, each also in the amount of $21,800, were granted to the same 3 borrowers to build 51 new townhouses in the subdivision. By March 25, 1964, payments on all 163 loans in the aggregate amount of $3,671,608 were delinquent. The refinancing of the 112 loans at $21,800 each and the granting of the 51 additional loans at $21,800 each was made notwithstanding the fact that the association was in possession of an independent appraisal which valued a representative property at $19,700, and which, after pointing out that the townhouses were being used as rental properties, stated that "there are several projects in the vicinity and indications of overbuilding * * *" and "it is doubtful if a unit in one of these townhouses would appeal to the average buyer of a townhouse expecting to live in a normal suburban environment.

Mr. ROBERTSON. Mr. President, I also ask unanimous consent to have inserted in the RECORD at this point a conference committee print showing the differences of substance between S. 3158 as passed the Senate and the House amendment thereto.

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

CONFERENCE COMMITTEE PRINT SHOWING DIFFERENCES OF SUBSTANCE BETWEEN S. 3158, AS PASSED THE SENATE, AND THE HOUSE AMENDMENT THERETO

(*General Note.*—This print shows only the five substantive changes in the Senate-passed bill which are embodied in the amendment of the House. Differences which reflect only technical or editorial changes are not shown.

(Each of the substantive changes is summarized in an explanatory note, followed by a comparison of the actual text of the pertinent parts of the Senate and House versions.

(Provisions of the Senate-passed bill repeated without change in the House amendment are shown in roman type, provisions of the Senate-passed bill omitted from the House amendment are shown in black brackets, and provisions which appear only in the House amendment are shown in italic.)

(1) The House amendment contains a title III which would increase the amount of Federal insurance of accounts in institutions insured by the FDIC and FSLIC from $10,000 to $20,000 and would provide new authority to the insurance corporations to define, with classifications and exceptions, terms contained in the insurance provisions of present law. The Senate bill contains no such provisions.

The new title III, as shown in the House engrossed amendment at pages 73, 74, and 75, is as follows:

TITLE III—INCREASE IN INSURANCE LIMIT

Sec. 301. (a) The first sentence of section 3(m) of the Federal Deposit Insurance Act (12 U.S.C. 1813(m)) is amended by changing "$10,000" to read "$20,000", and such section is further amended by adding the following new sentence at the end: "For the purpose of clarifying and defining the insurance coverage under this subsection and subsection (i) of section 7, the Corporation is hereby authorized to define, with such classifications and exceptions as it may prescribe, terms used in said subsections, in subsection (p) of section 3, and in subsections (a) and (i) of section 11 and the extent of the insurance coverage resulting therefrom."

(b) The first sentence of section 7(i) of the Federal Deposit Insurance Act (12 U.S.C. 1817(i)) is amended by changing "$10,000" to read "$20,000".

(c) The last sentence of section 11(a) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)) is amended to read: "The maximum amount of the insured deposit of any depositor shall be $20,000."

(d) The fifth sentence of section 11(i) of the Federal Deposit Insurance Act (12 U.S.C. 1821(i)) is amended by changing "$10,000" to read "$20,000".

(e) Section 401(b) of title IV of the National Housing Act (12 U.S.C. 1724(b)) is amended by changing "$10,000" to read "$20,000" each place it appears therein.

(f) Section 405(a) of title IV of the National Housing Act (12 U.S.C. 1728(a)) is amended by changing "$10,000" to read "$20,000", and by adding the following new sentence at the end: "For the purpose of clarifying and defining the insurance coverage under this subsection and subsection (b) of section 401, the Corporation is hereby authorized to define, with such classifications and exceptions as it may prescribe, terms used in said subsections and in subsection (c) of section 401 and the extent of the insurance coverage resulting therefrom."

(g) The amendments made by this section shall be effective only with respect to claims accruing after the date of enactment of this Act.

(2) The House amendment contains a title IV which provides that the provisions of titles I and II are to be effective only for the period ending June 30, 1968. The Senate-passed bill contains no such provision. The new title IV as shown in the House-engrossed amendment at page 75 is as follows:

TITLE IV—EXPIRATION

Sec. 401. The provisions of titles I and II of this Act and any provisions of law enacted by said titles shall be effective only during the period ending at the close of June 30, 1968. Effective upon the expiration of such period, each provision of law amended by either of such titles is further amended to read as it did immediately prior to the enactment of this Act and each provision of law repealed by either of such titles is reenacted.

(3) The House amendment provides that hearings provided under the bill shall be public unless the supervisory agency in its discretion after considering the views of the party afforded the hearing determines that a private hearing would be in the public interest. The Senate bill provides that such hearings shall be private unless both parties agree to public hearings. The provisions in question are as follows:

At page 14 of the Senate-passed bill and page 14 of the House-engrossed amendment:

"(7)(A) Any hearing provided for in this subsection (d) shall be held in the Federal judicial district or in the territory in which the home office of the association is located unless the party afforded the hearing consents to another place, and shall be conducted in accordance with the provisions of [the Administrative Procedure Act; but such hearing shall be private, unless a public hearing is agreed to by the party afforded the hearing and by the Board] *chapter 5 of title 5 of the United States Code. Such hearing shall be public, unless the Board, in its discretion, after considering the views of the party afforded the hearing, determines that a private hearing would be in the public interest.* * * *"

At pages 36 and 37 of the Senate-passed bill and at page 35 of the House-engrossed amendment:

"(j) HEARINGS AND JUDICIAL REVIEW.—(1) Any hearing provided for in this section shall be held in the Federal judicial district or in the territory in which the principal office of the institution is located unless the party afforded the hearing consents to another place and shall be conducted in accordance with the provisions of [the Administrative Procedure Act; but such hearing shall be private, unless a public hearing is agreed to by the party afforded the hearing and by the corporation] *chapter 5 of title 5 of the United States Code. Such hearing shall be public unless the Corporation, in its discretion, after considering the views of the party afforded the hearing, determines that a private hearing would be in the public interest.* * * *"

At pages 60 and 61 of the Senate-passed bill and page 61 of the House-engrossed amendment:

"(h)(1) Any hearing provided for in this section shall be held in the Federal judicial district or in the territory in which the home office of the bank is located unless the party afforded the hearing consents to another place, and shall be conducted in accordance with the provisions of [the Administrative Procedure Act; but such hearing shall be private, unless a public hearing is agreed to by the party afforded the hearing and by the appropriate Federal banking agency] *chapter 5 of the title 5 of the United States Code. Such hearing shall be public unless the appropriate Federal banking agency, in its discretion, after considering the views of the party afforded the hearing, determines that*

*a private hearing would be in the public interest. * * * *"*

(4) The House amendment creates an exception to the prohibition against acquisition of more than one institution by a savings and loan holding company, in that it would permit such a company to make such an acquisition if approved by the Federal Home Loan Bank Board upon a determination by the Board that the acquisition would assist in preventing the involuntary liquidation of the institution so acquired. The Senate-passed bill contains no such provision, which is found at pages 47 and 48 of the House-engrossed amendment:

Sec. 103. Subsection (c) of section 408 of the National Housing Act (12 U.S.C. 1730a (c)) is amended to read:

"(c) It shall be unlawful for any company on or after September 23, 1959—

"(1) to acquire the control of more than one insured institution, or

"(2) to acquire the control of an insured institution when it holds the control of any other insured institutions,

except in a transaction which has been approved by the Federal Home Loan Bank Board upon a determination by it that such transaction is advisable to assist in preventing the commencement or continuance of involuntary liquidation of the insured institution whose control, whether by acquisition of stock or assets or otherwise, is being acquired by such company or an insured institution which it controls."

(5) The House amendment provides that for the violation of a condition imposed in writing by an agency to be grounds for the issuance of a cease-and-desist order the condition must have been imposed in connection with the granting of an application or other request by the institution. The Senate-passed bill contains no such provision. The provisions in which this change would be made by the House amendment are as follows:

At pages 2 and 3 of the Senate-passed bill and pages 2 and 3 of the House-engrossed amendment:

"(2)(A) If, in the opinion of the Board, an association is violating or has violated, or the Board has reasonable cause to believe that the association is about to violate, a law, rule, regulation, or charter or other condition imposed in writing by the Board *in connection with the granting of any application or other request by the association,* or written agreement entered into with the Board, or is engaging or has engaged, or the Board has reasonable cause to believe that the association is about to engage, in an unsafe or unsound practice, the Board may issue and serve upon the association a notice of charges in respect thereof. * * * *

At pages 22 and 23 of the Senate-passed bill, and pages 22 and 23 of the House-engrossed amendment:

"(b) INVOLUNTARY TERMINATION OF INSURANCE; NOTICE AND HEARING.—(1) Whenever, in the opinion of the Corporation, any insured institution has violated its duty as such or is engaging or has engaged in an unsafe or unsound practice in conducting the business of such institution, or is in an unsafe or unsound condition to continue operations as an insured institution, or is violating or has violated an applicable law, rule, regulation, or order, or any condition imposed in writing by the Corporation *in connection with the granting of any application or other request by this institution,* or any written agreement entered into with the Corporation, including any agreement entered into under section 403 of this title, the Corporation shall serve upon the institution a statement with respect to such violations or practices or conditions for the purpose of securing the correction thereof, and shall send a copy of such statement to the appropriate State supervisory authority."

At pages 26 and 27 of the Senate-passed bill and at page 26 of the House-engrossed amendment:

"(e) CEASE-AND-DESIST PROCEEDINGS.—(1) If, in the opinion of the Corporation, any insured institution or any institution any of the accounts of which are insured is engaging or has engaged, or the Corporation has reasonable cause to believe that the institution is about to engage, in an unsafe or unsound practice in conducting the business of such institution, or is violating or has violated, or the Corporation has reasonable cause to believe that the institution is about to violate, a law, rule, or regulation, or any condition imposed in writing by the Corporation *in connection with the granting of any application or other request by the institution,* or written agreement entered into with the Corporation, including any agreement entered into under section 403 of this title, the Corporation may issue and serve upon the institution a notice of charges in respect thereof."

At pages 48 and 49 of the Senate-passed bill and at page 49 of the House-engrossed amendment:

"(b)(1) If, in the opinion of the appropriate Federal banking agency, any insured bank or bank which has insured deposits is engaging or has engaged, or the agency has reasonable cause to believe that the bank is about to engage, in an unsafe or unsound practice in conducting the business of such bank, or is violating or has violated, or the agency has reasonable cause to believe that the bank is about to violate, a law, rule, or regulation, or any condition imposed in writing by the agency *in connection with the granting of any application or other request by the bank,* or any written agreement entered into with the agency, the agency may issue and serve upon the bank a notice of charges in respect thereof. * * * *"

Mr. ROBERTSON. Mr. President, while the bill set forth in the conference report does not fully meet the wishes of either the Senate or the House, in my opinion it represents a reasonable compromise between the two bodies. The Federal agencies involved have indicated their satisfaction with the conference report. The House has now accepted the conference report, and on behalf of the Senate conferees I urge the Senate to do likewise and send the bill to the President for his approval.

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement prepared by the senior Senator from Kentucky [Mr. COOPER].

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

STATEMENT BY SENATOR COOPER

I support the conference report on S. 3158, a bill to strengthen the regulatory and supervisory authority of Federal agencies over insured banks and insured savings and loan associations.

The bill would grant to these Federal agencies certain intermediate powers to suspend or remove officers and directors of these financial institutions and to issue cease-and-desist orders against certain specified activities and practices. Both the Senate and the House Banking and Currency Committee amendments include safeguards to limit the right of a Federal agency to suspend or remove an officer or director of a bank, and they affirm the basic role of the State supervisory authorities. The bill specifies that these State banking authorities will have the first opportunity to correct any situation and to present findings to the appropriate Federal agency. I raised the question of the adequacy of these safeguards when the bill was debated in the Senate on August 23.

I note that the Senate bill authorizes these increased supervisory powers to the Federal bank regulatory agencies on a permanent basis. The conference report provides that this authority be granted on a provisional basis and expire on June 30, 1972.

One of the chief concerns of the Kentucky Bankers Association about the original bill was that it tended to downgrade State supervisory authorities. In Kentucky, primary supervision over State banks is given to the Department of Banking, which has established high standards for our State banks and has achieved a record of accomplishment. Because of the far-reaching effects of this bill on our dual banking systems, I believe that the Senate conferees have acted wisely in accepting the House provision limiting the authorization of this new authority to a period slightly in excess of five years.

Prior to the expiration of this period, Congress will then review the administration and operation of the Federal banking agencies in the exercise of these supervisory powers. With that experience to judge by, Congress could then determine if such powers should be made permanent and with what recommended changes.

The original House bill provided for an increase in Federal deposit insurance coverage from $10,000 to $15,000 and an amendment agreed to on the House floor increased the amount to $20,000. The Senate bill contained no provision for an increase in insurance. The conferees have agreed on the amount of $15,000, which represents an increase of $5,000 over the present $10,000 ceiling and is directed towards new accounts and providing additional security to the depositors of these financial institutions.

Mr. ROBERTSON. Mr. President, I move that the conference report be agreed to.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion.

The motion was agreed to.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1676, H.R. 11256, and the three measures which follow it on the calendar.

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

FEDERAL TAX LIEN ACT OF 1966

The Senate proceeded to consider the bill (H.R. 11256) to amend the Internal Revenue Code of 1954 with respect to the priority and effect of Federal tax liens and levies, and for other purposes which had been reported from the Committee on Finance with amendments on page 13, after line 17, to strike out:

(f) PLACE FOR FILING NOTICE FORM. The notice referred to in subsection (a) shall be filed—

(1) UNDER STATE LAWS.—In the office designated by the law of the State in which the property subject to the lien is situated, whenever the State has by law designated an office within the State for the filing of such notice; or

(2) WITH CLERK OF DISTRICT COURT.—In the office of the clerk of the United States district court for the judicial district in which the property subject to the lien is

situated, whenever the State has not by law designated an office within the State for the filing of such notice; or

(3) WITH RECORDER OF DEEDS OF THE DISTRICT OF COLUMBIA.—In the office of the Recorder of Deeds of the District of Columbia, if the property subject to the lien is situated in the District of Columbia.

If the notice filed pursuant to paragraph (1) is in such form as would be valid if filed with the clerk of the United States district court pursuant to paragraph (2), such notice shall be valid notwithstanding any law of the State regarding the form or content of a notice of lien.

And, in lieu thereof, to insert:

(f) PLACE FOR FILING NOTICE; FORM.—

(1) PLACE FOR FILING.—The notice referred to in subsection (a) shall be filed—

(A) UNDER STATE LAWS.—

(i) REAL PROPERTY.—In the case of real property, in one office within the State (or the county, or other governmental subdivision), as designated by the laws of such State, in which the property subject to the lien is situated; and

(ii) PERSONAL PROPERTY.—In the case of personal property, whether tangible or intangible, in one office within the State (or the county, or other governmental subdivision), as designated by the laws of such State, in which the property subject to the lien is situated; or

(B) WITH CLERK OF DISTRICT COURT.—In the office of the clerk of the United States district court for the judicial district in which the property subject to the lien is situated, whenever the State has not by law designated one office which meets the requirements of subparagraph (A); or

(C) WITH RECORDER OF DEEDS OF THE DISTRICT OF COLUMBIA.—In the office of the Recorder of Deeds of the District of Columbia, if the property subject to the lien is situated in the District of Columbia.

(2) SITUS OF PROPERTY SUBJECT TO LIEN.—For purposes of paragraph (1), property shall be deemed to be situated—

(A) REAL PROPERTY.—In the case of real property, at its physical location; or

(B) PERSONAL PROPERTY.—In the case of personal property, whether tangible or intangible, at the residence of the taxpayer at the time the notice of lien is filed.

For purposes of paragraph (2)(B), the residence of a corporation or partnership shall be deemed to be the place at which the principal executive office of the business is located, and the residence of a taxpayer whose residence is without the United States shall be deemed to be in the District of Columbia.

(3) FORM.—The form and content of the notice referred to in subsection (a) shall be prescribed by the Secretary or his delegate. Such notice shall be valid notwithstanding any other provision of law regarding the form or content of a notice of lien.

On page 16, after line 13, to strike out:

(g) REFILING OF NOTICE.—

(1) IN GENERAL.—For purposes of this section, unless notice of lien is refiled (in the office in which the prior notice was filed) during the required refiling period, such notice of lien shall be treated as filed on the date on which it is filed (in accordance with subsection (f)) after the expiration of such refiling period.

And, in lieu thereof, to insert:

(g) REFILING OF NOTICE.—For purposes of this section—

(1) GENERAL RULE.—Unless notice of lien is refiled in the manner prescribed in paragraph (2) during the required refiling period, such notice of lien shall be treated as filed on the date on which it is filed (in accordance with subsection (f)) after the expiration of such refiling period.

(2) PLACE FOR FILING.—A notice of lien refiled during the required refiling period shall be effective only—

(A) if such notice of lien is refiled in the office in which the prior notice of lien was filed; and

(B) in any case in which, 90 days or more prior to the date of a refiling of notice of lien under subparagraph (A), the Secretary or his delegate received written information (in the manner prescribed in regulations issued by the Secretary or his delegate) concerning a change in the taxpayer's residence, if a notice of such lien is also filed in accordance with subsection (f) in the State in which such residence is located.

On page 17, at the beginning of line 18, to strike out "(2)" and insert "(3)"; on page 18, at the beginning of line 3, to strike out "(3)" and insert "(4)"; and, in line 4, after the word "paragraph", to strike out "(2)" and insert "(3)".

Mr. HARTKE. Mr. President, I am pleased to report that the Internal Revenue Service has not only withdrawn the July 7 proposed regulations on deduction of educational expenses, but is negotiating with representatives of the NEA and other professional groups for further improvement of the October 1 proposed regulations. The IRS hearings scheduled to begin November 15 hold great promise for solution to the problems which come within the scope of the regulatory authority of the Internal Revenue Service.

The matter of deduction from gross income for teachers' educational expenses can only be provided by act of Congress. At this late date it is impractical to attempt to hold hearings on this issue and I have no intention of proposing an amendment from the floor. However, the sentiment in both bodies of Congress for this measure is strong, as evidenced by the introduction of over 100 bills in the House and of cosponsorship of Senator TALMADGE's bill, S. 3641, and of comments to me from many Senators from both sides of the aisle in support of my amendment 779 to H.R. 11256, the tax lien bill.

It is my hope that early in the 90th Congress we can give this important educational issue every consideration and that agreement can be reached on legislation. There is no area of our national life more important than education. The improvement of the competency of teachers is a proper objective of the Federal Government if quality education for all is to be achieved. At the same time the specter of Federal control cannot haunt us if we provide, through the taxing power of Congress, the incentive to individual teachers to improve their professional competence through personal efforts for self-improvement.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1708), explaining the purposes of the bill.

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

I. GENERAL STATEMENT

The bill as reported by your Committee makes one amendment to the bill as passed by the House. This amendment is with respect to the place of filing (and of refiling, discussed in A.6 and A.7 below) notice of a tax lien.

The Federal Tax Lien bill of 1966 represents the first comprehensive revision and modernization of the provisions of the internal revenue laws concerned with the relationship of Federal tax liens to the interests of other creditors.

Since the adoption of the Federal income tax in 1913, the nature of commercial financial transactions has changed appreciably. Business practices have been substantially revised and, as a result, many new types of secured transactions have been developed. In an attempt to take into account these changed commercial transactions, and to secure greater uniformity among the several States, a Uniform Commercial Code was promulgated somewhat over 10 years ago by the American Law Institute and the National Conference of Commissioners on Uniform State Laws. A revised version of this code is already law in over 40 States and could well be adopted by many of the remaining States in the near future. Under the Commercial Code, priority now is afforded new types of commercial secured creditors not previously protected.

This bill is in part an attempt to conform the lien provisions of the internal revenue laws to the concepts developed in this Uniform Commercial Code. It represents an effort to adjust the provisions in the internal revenue laws relating to the collection of taxes of delinquent persons to the more recent developments in commercial practice (permitted and protected under State law) and to deal with a multitude of technical problems which have arisen over the past 50 years. The bill represents the culmination of a project initiated approximately 10 years ago by those concerned with the relationship of the tax lien provisions to the interests of other creditors. Since that time, the suggestions and ideas of various groups have been studied and analyzed carefully, both by the groups themselves and by the staffs of the Treasury Department and the congressional committees.

Under present law, a lien for Federal taxes arises when a taxpayer's liability is assessed. The lien attaches to all of the property he then holds or subsequently acquires. The assessment is made when the unpaid tax liability is entered on the appropriate records of the Internal Revenue Service—which occurs, in the case of a taxpayer who voluntarily shows the tax liability on his return, shortly after the time the return is filed. Although the lien arises on the date of assessment, present law provides that purchasers and certain categories of secured creditors are given priority over the tax lien up to the time a notice of the tax lien is filed in the appropriate local office as designated by State law. Mortgagees, pledgees, purchasers, and judgment lien creditors are given this priority status. In addition, in the case of securities and motor vehicles, present law provides that even a filed Federal tax lien is not generally to be effective as against a purchaser or a mortgagee or pledgee of securities or a purchase of motor vehicles.

This bill substantially improves the status of private secured creditors. This is accomplished, first, by expanding the categories of creditors protected as against a nonfiled tax lien to include a mechanic's lienor.

Second, various types of secured creditor interests already having, or given, priority status over tax liens are specifically defined, and it is provided that where those interests qualify under the definitions they are to be accorded this priority status whether or not they are in all other respects definite and complete at the time notice of the tax lien is filed.

Third, the bill adds to the "superpriority" status accorded to certain interests in securities and motor vehicles an additional eight categories of interests in properties which are

to be effective as against a tax lien, even though notice of the lien has been filed.

Fourth, a priority status is provided for interests arising under three types of financing agreements entered into before the tax lien filing—commercial transactions financing, real property construction or improvement financing, and obligatory disbursements—even though the funds are advanced or the property comes into existence after the tax lien filing. In the case of commercial transactions financing, the protection generally is afforded even though the property underlying the lien is not yet in existence or is turned over within a short time (45 days) after the tax lien filing as long as the loan or purchase is made within this time. In the absence of this grace period, commercial factors and other lenders would have to check on a daily basis to see if a tax lien is filed to protect their interests. Interests arising under the real property construction and improvement financing agreements are protected even though loans are made after the tax lien filing because the construction is expected to enhance the value of the property underlying the tax lien. Interests arising under an obligatory disbursement agreement are protected because a person is obliged under a preexisting agreement to make disbursements after a tax lien filing and someone other than the taxpayer has relied on this obligation.

Fifth, a limited type of priority is given by the bill with respect to two other categories. In the case of security interests, generally, protection is afforded for a period of up to 45 days after the filing of notice of a tax lien. Also, interest paid with respect to interests having priority over a Federal tax lien and costs of preserving property subject to interests having priority over a tax lien are given a priority over tax liens even though notice has been filed (where these items have the same priority as principal debt under State law).

In addition to dealing with the relative priority of creditors' interests as against Federal tax liens, the bill also makes numerous modifications in the provisions of the internal revenue laws dealing with the procedures to be followed in collecting the taxes of a delinquent person. In general terms, these modifications are intended to represent a reasonable accommodation of the interests of the Government in collecting the taxes of delinquent taxpayers with the rights of the taxpayers and third parties. The modifications are concerned with the procedures for levying upon property of a delinquent taxpayer, the liability of lenders, sureties, etc., for withholding taxes, the running of the statute of limitations in the case of delinquent tax liabilities, procedures arising out of, or with respect to the sale of property of delinquent taxpayers, the court procedures to be followed with respect to tax liens, and provision for the redemption of real property by the United States, where it is sold by a creditor with a higher priority.

The Treasury Department urges the adoption of this bill.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

INTEREST ON INCOME TAX REFUNDS MADE WITHIN 45 DAYS AFTER FILING OF TAX RETURN

The bill (H.R. 11660) relating to interest on income tax refunds made within 45 days after the filing of the tax return, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1709), explaining the purposes of the bill.

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

I. SUMMARY

H.R. 11660 makes two changes in the tax laws: First it amends present law to provide that no interest is to be paid with respect to the refund of an overpayment of income tax if the refund is made within 45 days after the date the return is actually filed. This will supplement present law which already provides that no interest is to be paid with respect to a refund made within 45 days after the last date prescribed for the filing of a tax return.

Second, the bill amends present law to extend to taxpayers with an investment credit carryback the quick refund procedure presently available to taxpayers with a net operating loss carryback. Under this provision, a taxpayer is to be permitted to file an application for a quick refund of tax to the extent he can use a carryback of the investment credit in any of the 3 prior years. The application, which must be filed within the year following the year in which the unused credit arises (or by December 31, 1966, if later), must be acted upon by the Internal Revenue Service within 90 days. An amendment related to this provision also provides that if a quick refund is made by reason of the carryback of either a net operating loss or an unused investment credit, a deficiency (to the extent of the refund) may be assessed for the years to which the carryback applies for 3 years from the date the return is filed for the year in which the carryback arises.

The Treasury Department recommended the first of these provisions and does not object to the second.

II. INCOME TAX REFUNDS MADE WITHIN 45 DAYS AFTER RETURN IS FILED

Under present law (sec. 6611), interest charges computed at the rate of 6 percent per annum are paid with respect to an overpayment of income tax not refunded within 45 days after the due date for filing the return. This is true even though the return is filed late—in some cases even more than 45 days late.

In the course of a review of the interest paid on certain tax refunds during the calendar years 1962 and 1963, the General Accounting Office concluded that this interest provision led to the payment of excessive interest in certain cases. This conclusion was reported to the Congress by the Comptroller General on May 25, 1965, in a report entitled "Excessive Interest Costs Incurred on Certain Tax Refunds." In the report the Comptroller General pointed out that excessive interest costs arise if—

(1) The taxpayer delays filing his tax return until such time as it become impossible for the Internal Revenue Service to refund any overpayment of tax within 45 days of the prescribed due date of the return (no civil penalty is provided in the case of such delay unless tax is due), or

(2) The taxpayer is granted an extension of time for filing his return which again makes it impossible for the Internal Revenue Service to refund an overpayment of tax within 45 days of the prescribed due date of the return. The Comptroller General recommended that the law be amended to correct this situation.

Like the Committee on Ways and Means of the House, the Committee on Finance agrees with the Comptroller General's conclusion. As a result, this bill provides that no interest is to be paid on a refund of an overpayment of income taxes, not only if the refund is made within 45 days of the prescribed date of the return (as provided by present law) but also—where the return is filed after the due date—if the refund is made within 45 days after the return is filed. Where taxpayers delay filing their returns until after the due date, or if an extension of time for filing the return is granted, interest will not be paid on a refund of an overpayment unless the refund is made more than 45 days after the return actually is filed.

This amendment is to be effective with respect to refunds made more than 45 days after the date of enactment of this bill.

In the fiscal year 1965, the Internal Revenue Service paid interest amounting to $77,419,000 as a result of refunds of tax. A portion of this cost will be saved in the future as a result of this bill.

III. QUICK REFUND OF INCOME TAX ATTRIBUTABLE TO INVESTMENT CARRYBACK

Under normal administrative procedures, the refund of tax resulting from a carryback of either a net operating loss or an unused investment credit cannot usually be made until a considerable period of time has elapsed after the close of the taxable year in which the carryback arises.

A special procedure (sec. 6411) exists in the case of a net operating loss, however, which enables the taxpayer to apply for a quick refund based on a tentative carryback adjustment. The application for the carryback refund must be filed within the year following the year of the loss, but only after the return for the loss year is filed. This application must be acted upon by the Internal Revenue Service within 90 days after the application is filed, or within 90 days from the last day in the month the return for the loss year is due (including any extension of time granted the taxpayer), whichever is later. The application for a quick refund may be refused if in the judgment of the Secretary of the Treasury or his delegate it contains errors of computation which cannot be corrected within the 90-day period or if there are material omissions. Otherwise, the tax reduction resulting from the carryback is credited against unpaid taxes or refunded. No similar procedure is currently available for a quick refund of tax resulting from an investment credit carryback.

The provisions regarding the carryback and carryforward of unused investment credits are similar in essential respects to those regarding the carryback and carryforward of net operating losses. Moreover, in a business firm with a substantial unused investment credit may have as urgent a need for a prompt refund of tax as a firm with a net operating loss, since, generally speaking, unused investment credits are generated when the amount of investment in qualified property is large relative to business taxable income. Your committee therefore concluded, as did the House, that the provision for quick refunds, now available to taxpayers with net operating losses, should also be made available to taxpayers with unused investment credits.

As a result, the bill amends existing law (sec. 6411) to permit taxpayers to file application for a tentative carryback adjustment if the tax of a prior taxable year is affected by an investment credit carryback as well as by a net operating loss. The manner and time of filing, and all other aspects of the application, are to be governed by the existing provisions regarding application for quick refunds attributable to a net operating loss carryback.

This provision relating to investment credit carrybacks is to apply with respect to taxable

years ending after December 31, 1961. Applications for refunds must be filed after the date of enactment of this bill. If the period for filing an application for an earlier year would expire before December 31, 1966, the period for filing the application is not to expire before December 31, 1966.

The transitional revenue loss due to the earlier payment of refunds attributable to investment credit carrybacks as provided by this bill will be minimal.

In its examination of the quick refund provision (sec. 6411) in connection with the study of the possible extension of the provision to investment credit carrybacks, the committee was apprised of a problem with this provision under existing law.

The Service's authority to assess additional taxes where there is a deficiency is circumscribed by the general rule (sec. 6501) that a tax must be assessed within 3 years after the date the return is filed, with certain exceptions of limited application.

Provision for quick refunds can, of course, result in the payment of larger refunds than would be paid if the Internal Revenue Service had more time to review the claim. Once refunded, in some instances, because of the 3-year limitation referred to above, these amounts cannot be recovered through deficiency procedures, except to the extent the deficiency is attributable to the carryback. Any amount erroneously refunded which is not attributable to the carryback may be recovered, however, by a suit to recover an erroneous refund.

To deal with the situation described above, the bill extends the period for assessing a deficiency when a quick refund has been made because of a carryback of either a net operating loss or an unused investment credit, even though the deficiency is not attributable to the carryback. Under this provision, a deficiency for a year, with respect to which a quick refund was made because of a tentative carryback, may be assessed at any time up to 3 years after the return is filed for the taxable year in which the carryback arose (provided this period is not further extended by other provisions of sec. 6501; i.e., where there was fraud involved, etc.). However, in such a case the deficiency assessment which may be made as the result of this provision cannot exceed the amount of the quick refund. (The deficiency assessment made as a result of this provision cannot exceed the amount of the original refund reduced by any deficiency attributable to the carryback.)

This amendment is to apply in the case of any application for a quick refund attributable to the carryback of a net operating loss, or an unused investment credit, made after the date of enactment of this bill.

DEDUCTIONS FOR ADDITIONS TO A RESERVE FOR CERTAIN GUARANTEED DEBT OBLIGATIONS

The bill (H.R. 11782) to amend the Internal Revenue Code of 1954 to allow a deduction for additions to a reserve for certain guaranteed debt obligations, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1710), explaining the purposes of the bill.

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

I. SUMMARY

This bill provides that a taxpayer who is a dealer in property may take an income tax deduction for reasonable additions to a reserve for bad debts which arise from his contingent liability as a guarantor, endorser, or indemnitor of debt obligations arising out of the sale by him of real property or tangible personal property (including related services) in the ordinary course of the dealer's business. The bill also provides that this is to be the only deduction allowable for additions to a reserve for bad debts for obligations of this type.

The bill contains special features designed to prevent a doubling up of deductions during the transition period. The bill also provides that for taxable years beginning before August 2, 1966, a taxpayer may establish a reserve under this new provision without obtaining permission of the Commissioner of Internal Revenue to change his method of accounting.

The new provision applies generally to taxable years ending after October 21, 1965. However, in the case of years ending before October 22, 1965, where the taxpayer claimed a deduction (under the provisions of existing law which relate to reserve for bad debts) the claimed deduction is to be allowed for past years if it would be allowable under the new provision.

The passage of this bill is favored by the Treasury Department.

II. REASONS FOR THE BILL

The Internal Revenue Service takes the position that a dealer in property is not entitled to take a current deduction, by use of a reserve for bad debts, for losses he expects to arise in subsequent years because of his sale with recourse of customer debt obligations. For example, if a dealer sells an article under a conditional sales contract and then sells the contract to a bank with the bank reserving the right to collect any bad debts from the dealer, the Internal Revenue Service holds that an addition to a reserve for bad debts on account of the dealer's contingent liability to the bank cannot be deducted for income tax purposes. The Treasury's position has been sustained in the Tax Court of the United States, but three circuit courts of appeal have held that a current deduction can be so taken against the future losses. The Commissioner of Internal Revenue has announced that he will not follow the circuit court decisions.[1] The bill is designed to settle the existing controversy as to the proper treatment of such cases for both future and past years.

The bill contains a special feature called a "suspense account" which, together with the treatment of the opening balance of the new reserve for guaranteed obligations is designed to prevent a doubling up of deductions in the transitional period during which a taxpayer is converting to the new reserve. The opening balance of the new reserve is not zero, but an amount equal to what the opening balance would have been if the reserve had been maintained in prior years. A deduction is not allowed for this opening balance. If a deduction were allowed, a doubling up of deductions would otherwise occur in the transition period, because in the transitional year or years the taxpayer, in effect, would be writing off the bad debts as they occur and also receiving the deductions for the entire balance in the reserve then being established with respect to the property sold by him.[2] Thus, in the transitional year or years the taxpayer's income would be understated. This would occur even if the volume of sales by the taxpayer remained constant. In addition to the effect this doubling up of deductions has in understating income of the taxpayer during the transition period, it also can involve a significant revenue loss in the case of the bad debt reserve of the type referred to here. It is anticipated that were a deduction not to be denied for the opening balance in the new reserve, there would be a transitional revenue loss of $200 million resulting from this provision. The suggestion sometimes made that this transitional revenue loss be spread over a period of years does not, of course, reduce the amount of the loss involved. Still another aspect of the problem which should be taken into account is the fact that were the opening balance in the new reserve to be allowed as a deduction in the transitional period, the effect would be the same as a retroactive enactment of this provision, since under the new method the opening balance is attributable to obligations incurred in prior years, back to the time this type of business first came on the books of the taxpayer. Generally, Congress does not make retroactive most of the provisions which it enacts amending the Internal Revenue Code (either increasing or decreasing tax liabilities), even though the provisions are believed meritorious.

While the absence of a deduction for the opening balance in the new reserve avoids a doubling up of deductions in the transition period, nevertheless, taxpayers receive the benefit of the new reserve system (which, in effect, provides for an earlier deduction than would otherwise be available) to the extent of any growth in their business above the level at the beginning of the transition period. In addition, the amounts placed in the suspense account are allowed as deductions in subsequent years to the extent the taxpayers' reserve would otherwise decline below the balance in this suspense account. This may occur in subsequent years, for example, because the volume of a taxpayer's business of this type declines, because he decides to hold the debt obligations himself, or because he goes out of business altogether. Thus, the effect of the treatment provided by this bill is to allow the taxpayer the advantages of the new reserve system with respect to any growth in the volume of his sales, while at the same time guaranteeing for him—if for one reason or another his business involving the guaranteed obligations declines—treatment at least as good as that which would have been provided had he not established the reserve in the first place, and instead taken the bad debt deductions as they were actually incurred.

The suspense account is not made available in cases where the taxpayer has already taken deductions in the form of additions to a reserve for bad debts with respect to the items involved in this bill in prior years (thus the opening balance in the new reserve in his case in effect merely represents the transfer of a balance from the existing general bad debt reserve), since in such cases the opening balance in the new reserve has

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[1] See, *Bolling et al.* v. *Commissioner*, 357 F. 213 (8th Cir. 1966), reversing T.C. Memo. 1964–143; *Foster Frosty Foods* v. *Commissioner*, 332 F. 2d 230 (10 Cir. 1964), reversing 39 T.C. 772 (1963); *Wilkins Pontiac* v. *Commissioner*, 298 F. 2d 893 (9th Cir. 1962), reversing 34 T.C. 1065 (1960); *Mike Persia Chevrolet, Inc.*, 31 T.C. 198 (1963); see also *Bright* v. *Commissioner*, 66–2 U.S.T.C. para. 9606; and Rev. Rul. 62–214, C.B. 1962–2, 72.

[2] Actually, the bad debts are charged against the reserve but by the end of the year the reserve is increased to the extent appropriate considering the obligations then outstanding. This is the equivalent, therefore, of a direct chargeoff of these bad debts. If the reserve were built up from a zero balance to the appropriate yearend level plus enough more to offset charges against the reserves for the bad debts occurring during the year, in the absence of the special feature contained in this bill, there would be larger deductions in the transition period than would otherwise be the case to the extent of the opening balance in the reserve. This represents deductions not attributable to the current period.

in effect been previously deducted and there is no doubling up of deductions in the transition period.

III. GENERAL EXPLANATION

Reserve for guaranteed obligations.—The bill adds a new provision to the Internal Revenue Code (a new subsection (g) in section 166) under which a deduction can be taken for additions to a reserve for bad debts arising out of the taxpayer's liability as a guarantor, endorser, or indemnitor of debt obligations attributable to his sale of property in the ordinary course of his business. This bad debt reserve may be attributable to the sale by the taxpayer of either real property or tangible personal property and services related to these properties. The debt need not initially be the debt owing to the taxpayer as long as it arises from the sale by him of the property and he is guaranteeing payment. Thus, this includes cases both where the purchaser borrows from a bank or other financial institution to make partial payment for the property and the dealer guarantees the payment of the debt, as well as where the debt is initially owing to the dealer and he discounts the paper with the financial institution which has recourse to him for payment of the debt should the purchaser fail to make the payments.

If a dealer establishes one of these new reserves for guaranteed debt obligations and also maintains a reserve for bad debts (under provisions of existing law) for accounts receivable from customers which he does not sell, the dealer is to maintain two separate reserves for income tax purposes. The amount of reasonable additions to the reserves are to be determined separately for each reserve and not on an aggregate basis.

The reserve for guaranteed debt obligations is to apply to taxable years ending on or after October 22, 1965, the date of the introduction of the bill.

Suspense account and treatment of opening balance in reserve.—The bill provides that for the first taxable year for which the dealer maintains the new reserve for guaranteed debt obligations, the balance of the reserve at the beginning of the year is to be the same as if he had maintained this reserve for preceding years. No deduction is to be allowed currently for this opening balance. The effect of this is to deny any doubling up of deductions in the transition period. However, this amount, for which deduction is denied, is to be placed in a "suspense account" and, as explained below, the dealer may subsequently receive deductions for part or all of this balance. As a result, the dealer whose business is increasing, receives deductions for additions to his reserve (1) to offset actual losses charged against the reserve during the year, and (2) to take into account the increase in the volume of obligations he has guaranteed. He does not generally (except through the suspense account discussed below) receive a deduction for additions to the reserve for obligations he guaranteed in the past (reflected in the opening balance of his new reserve).

The function of the suspense account is to give the dealer a deduction in subsequent years for the opening balance in his reserve for guaranteed bad debts (for which he has not up to that time received a deduction) if he goes out of the business for which the reserve is maintained, or if he no longer needs the reserve—for example, because he finances the customer paper himself rather than discounting it to others, or because his volume of credit sales declines.

The way in which this suspense account works is as follows: The initial balance of the account is the same as the opening balance of the new reserve for guaranteed debt obligations (for the first year that reserve is maintained). The balance in this suspense account may never be greater than the opening balance of the reserve in the first year it is in operation. If in any subsequent year the balance in the suspense account is greater than the then yearend balance in the reserve for guaranteed obligations, the dealer at that time is allowed an income tax deduction for the difference. The suspense account is reduced by the amount so allowed as a deduction. On the other hand, if the balance in the suspense account is less than the end-of-the-year balance in the reserve, the suspense account is to be increased by the difference (but never by more than the amount necessary to bring the suspense account to the amount of its initial balance in the suspense account). This same amount is also included in gross income of the dealer for income tax purposes. Thus, the suspense account is never increased unless it has been previously reduced, and the total of the increases in the suspense account can never exceed the total of the previous reductions in the suspense account.

The determination of the yearend balance of the reserve for guaranteed debt obligations is made after adding any addition needed to provide a reasonable reserve for the outstanding contingent liabilities for which the reserve is maintained.

No suspense account is to be provided in the case of taxpayers who for their last taxable year ending before October 22, 1965, claimed a deduction (see discussion immediately below) for an addition to a reserve for bad debts for the type of obligations covered by the new reserve. In such a case it is not necessary to have a suspense account because the taxpayer is not doubling up his deductions in the transition period.

Taxpayers claiming deductions for years ending before October 22, 1965.—The bill provides that if a taxpayer before October 22, 1965, claimed a deduction (for a taxable year ending before that date) for an addition to a reserve for bad debts (sec. 166(c)) on account of debt obligations of the guaranteed type referred to with respect to the new reserve, then this deduction is to be allowed (under the existing general bad debt reserve) for the prior year in question to the same extent that it would have been allowable if the new reserve had been available in the earlier year or years. However, such a deduction is to be available for one of these prior years only if the statute of limitations has not run (by December 31, 1966) for either this or any subsequent year. Thus, for example, if the taxpayer claimed a deduction under the existing general bad debt reserve for guaranteed obligations for the year 1960 and that year and all subsequent years are open, deductions may be taken for the year 1960 and all subsequent years ending before October 22, 1965 (whether or not the taxpayer claimed the deduction for all of the subsequent years). However, if the taxpayer claimed the deduction for the year 1960 and that year is still open but the year 1961 is not open, no deduction can be taken for the year 1960 or 1961. In such case, if the taxpayer also claimed a deduction for 1962, deductions can be taken for 1962 and subsequent years ending before October 22, 1965 (if all of these years are open).

New reserve only way of taking guaranteed bad debt deductions for future.—The bill provides that the new reserve previously described is to be the only reserve through which a deduction is to be allowed for any addition to a reserve for bad debts, which arises out of the taxpayer's liability as guarantor, endorser, or indemnitor of debt obligations. For example, if the taxpayer has an account receivable from a customer simply for services rendered (not in connection with a sale of a property) the bill provides that no deduction is to be allowed for an addition to a reserve for liabilities arising out of the sale with recourse of such a debt obligation.

Establishing new reserve not a change in method of accounting for certain years.—The bill provides that the establishment of a new reserve for bad debts guaranteed by the taxpayer for years ending after October 21, 1965, and beginning before August 2, 1966, is not to be considered a change in method of accounting. Therefore, during this period of time, the new reserve may be established without permission of the Treasury Department.

TEMPORARY CONTINUATION OF CERTAIN EXISTING RULES RELATING TO THE DEDUCTIBILITY OF ACCRUED VACATION PAY

The bill (H.R. 16774) to continue for a temporary period certain existing rules relating to the deductibility of accrued vacation pay was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1711), explaining the purposes of the bill.

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

I. SUMMARY OF BILL

H.R. 16774 provides that a deduction for accrued vacation pay is not to be denied for any taxable year ending before January 1, 1969, solely because the liability for it to a specific person has not been fixed or because the liability for it to each individual cannot be computed with reasonable accuracy. However, for the corporation to obtain the deduction, the employee must have performed the qualifying service necessary under a plan or policy which provides for vacations with pay to qualified employees and the plan or policy must have been communicated to the employees involved before the beginning of the vacation year. This is a continuation for 2 more years of the treatment which has been available for taxable years ending before January 1, 1967.

The Treasury Department has indicated that it does not object to its enactment.

II. GENERAL STATEMENT

Under the 1939 code (sec. 43), the period of time for taking deductions was stated to be the taxable year in which the expenses were "paid or accrued" or "paid or incurred," depending upon the method of accounting, "unless in order to clearly reflect the income, the deductions or credits should be taken as of a different period." Under this provision, it was held that vacation pay for the next year could be accrued as of the close of the taxable year in which the qualifying services were rendered, provided all of the events necessary to fix the liability of the taxpayer for the vacation pay under the employment contract had occurred by the close of the taxable year. In determining whether the events necessary to fix the liability of the taxpayer for vacation (or payment in lieu of vacation) in the following year might be terminated if his employment ended before the scheduled period was not regarded as making the liability a contingent one rather than a fixed one. It was held that the liability was not contingent since the employer could expect the employees as a group to receive the vacation pay; only the specific amount of the liability with respect to individuals remained uncertain at the close of the year (GCM 25261, C.B. 1947-2, 44; I.T. 3956, C.B. 1949-1, 78).

In 1954, Congress enacted a provision, section 462 of the 1954 code, which provided for the deduction of additions to reserves for certain estimated expenses. With this provision in the Internal Revenue Code, it was thought that reserves for vacation pay

generally would be covered and, therefore, that it was no longer necessary to maintain the liberal administrative position described above with respect to vacation pay. As a result, in Revenue Ruling 54–608 (C.B. 1954–2, 8), the Internal Revenue Service revised its position on the deductibility of vacation pay. In this ruling, it held that no accrual of vacation pay could occur until the fact of liability with respect to specific employees was clearly established and the amount of the liability to each individual employee was capable of computation with reasonable accuracy. It was thought that taxpayers accruing vacation pay under plans which did not meet the requirements of the strict accrual rule set forth in this ruling would utilize section 462 of the 1954 code. This ruling was initially made applicable to taxable years ending on or after June 30, 1955.

Because section 462 of the code was repealed, the Treasury Department in a series of actions postponed the effective date of Revenue Ruling 54–608 until January 1, 1959 (the last of these postponements was made in Revenue Ruling 57–325, C.B. 1957–2, 302, July 8, 1957). These actions rendered Revenue Ruling 54–608 inapplicable to taxable years ending before January 1, 1959. In cases involving an agreement with a labor union which was in effect on June 30, 1957, and did not expire until after December 31, 1958, the ruling was to be applicable for the first time to taxable years ending on or after the 90th day following the date the labor agreement expired.

Congress, in the Technical Amendments Act of 1958 (sec. 97), further postponed the effective date of Revenue Ruling 54–608 for 2 more years, making it inapplicable to taxable years ending before January 1, 1961. Subsequently, Congress in three actions (Public Law 86–496, Public Law 88–153, and Public Law 88–554) further postponed the effective date of Revenue Ruling 54–608. The first of these laws postponed the effect of this ruling with respect to deductions for accrued vacation pay for any taxable year ending before January 1, 1963, the second law postponed it for these deductions in any taxable year ending before January 1, 1965, and the third postponed it for these deductions in any taxable year ending before January 1, 1967.

This bill postpones for 2 more years the effective date of Revenue Ruling 54–608. As a result, deductions for accrued vacation pay, if computed by an accounting method consistently followed by the taxpayer, will not be denied for any taxable year ending before January 1, 1969, solely because the liability to a specific person for vacation pay has not been clearly established or because the amount of the liability to each individual cannot be computed with reasonable accuracy. This additional time is required so Congress will have further time to consider the problem of the deduction of accrued vacation pay and of other similar accrual-type deductions prior to the application of Revenue Ruling 54–608.

ESTABLISHMENT OF THE PAST AND PRESENT LOCATION OF A CERTAIN PORTION OF THE COLORADO RIVER

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1686, H.R. 13955.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 13955) to establish the past and present location of a certain portion of the Colorado River for certain purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with amendments on page 1, line 7, after the word "and", to strike out "13.20" and insert "13.17"; and, in line 9, after the name "California", where it appears the first time, to strike out "(Statutes of California, 1963, chapter 959; Arizona Laws 1963, chapter 77) and depicted in exhibit A thereto," and insert "approved August 11, 1966 (Public Law 89–531; 80 Stat. 340),".

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

The ACTING PRESIDENT pro tempore. Without objection, the amendments are considered and agreed to en bloc.

The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the 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, and passed.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

EQUITABLE TAX TREATMENT FOR FOREIGN INVESTMENT IN THE UNITED STATES

The ACTING PRESIDENT pro tempore. Pursuant to the previous unanimous-consent agreement, the Chair lays before the Senate the unfinished business, which will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 13103) to amend the Internal Revenue Code of 1954 to provide equitable tax treatment for foreign investment in the United States.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment.

Mr. JAVITS. Mr. President, I ask unanimous consent to say a word about the pending bill, as I shall be in a poverty bill conference and unable to speak later with regard to this measure on the floor of the Senate.

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

Mr. JAVITS. Mr. President, I am very gratified that the provision for medicines in the voluntary part of the medicare program is at long last included in the law. When the medicare measure was before us originally I moved for such an amendment and I did my utmost to get it adopted, but it was defeated. Sometimes it takes a while around here for justice to catch up with the law, and in this case it has.

I congratulate the Senate from Louisiana [Mr. LONG] for including this provision. He told me at the time that if experience warranted it he would include it, and he did so in this bill. I extend to the Senator my appreciation.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. LONG of Louisiana. Mr. President, it was the Senator from Illinois [Mr. DOUGLAS] who offered the amendment. I voted for it, as did the majority of the committee. I think that this measure will meet the problem. While it is not recommended by the administration they are not fighting us on this measure.

The Senator from New York [Mr. JAVITS] was one of the early proponents of the suggestion. I commend him for his effort. Many of us have been in favor of it for a long time. The only consideration has been the revenue consequence of it.

Mr. JAVITS. The Senator had said that at that time, and I commend the Senator from Illinois [Mr. DOUGLAS] for his part in the matter.

Mr. FONG. Mr. President, I ask unanimous consent that I may call up my amendment in precedence over the amendment of the distinguished Senator from Texas [Mr. YARBOROUGH], and ask that it be considered at this time.

The ACTING PRESIDENT pro tempore. Without objection, the amendment of the Senator from Texas [Mr. YARBOROUGH] will be temporarily laid aside.

Mr. FONG. Mr. President, I call up my amendment and ask that it be stated.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. FONG. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered; and the amendment will be printed in the RECORD at this point.

The amendment submitted by Mr. FONG is as follows:

At the end of the bill to insert a new section, as follows:

"SEC. 404. That (a) the first sentence of section 203(a) of the Social Security Act is amended (1) by striking out the period at the end of paragraph (3) thereof and inserting in lieu of such period a semicolon followed by the word 'or', and (2) by adding after paragraph (3) thereof the following new paragraph:

"'(4) when one of such individuals is a widow of such insured individual who is entitled, under section 202(e), to widow's insurance benefits for any month on the basis of the wages and self-employment income of such insured individual, the benefit to which she is entitled, on the basis of such wages and self-employment income, shall not be reduced for any month under this subsection on account of monthly benefits to which any other individual is entitled, on the basis of the wages and self-employment income of such insured individual, if (A) such insured individual died prior to 1966 and if (B) such other individual (i) is entitled to such benefits, under section 202(d), as a child of such insured individual, (ii) is not the child of such widow, and (iii) would not have been

considered to be the son or daughter of such insured individual under section 216(h) as in effect prior to the enactment of the Social Security Amendments of 1965.'

"(b) The amendments made by subsection (a) shall be effective with respect to monthly benefits payable under title II of the Social Security Act for months after the month in which this Act is enacted."

The ACTING PRESIDENT pro tempore. The Senator has 5 minutes. How much time is he yielding himself

Mr. MANSFIELD. Mr. President, will the Senator from Hawaii yield without using any of his time, so that I may suggest the absence of a quorum for 1 minute, with the time to be taken out of the bill?

Mr. FONG. I yield.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum for 1 minute.

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

The ACTING PRESIDENT pro tempore. How much time is the Senator from Hawaii allowing himself?

Mr. FONG. Mr. President, I yield myself 2 minutes.

Mr. President, this is a very simple amendment, offered to correct a very serious inequity inflicted by Congress last year upon certain widows entitled to social security benefits.

In enacting the Social Security Amendments of 1965—Public Law 89–97—Congress included a provision entitling certain illegitimate children to social security benefits based upon the father's earnings record.

Section 339 of Public Law 89–97 added a new provision to section 216(h) of the Social Security Act to allow social security benefits to be paid to certain illegitimate children who were acknowledged by the father or by court order or court decree as his offspring.

Mr. President, I ask unanimous consent to have the entire new provision added by Public Law 89–97 printed in the RECORD at this place in my remarks.

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

QUALIFICATION OF CHILDREN NOT QUALIFIED UNDER STATE LAW

[Public Law 89–97; 71 Stat. 519; 72 Stat. 1030; 42 U.S.C. 416]

SEC. 339. (a) Section 216(h) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(3) An applicant who is the son or daughter of a fully or currently insured individual, but who is not (and is not deemed to be) the child of such insured individual under paragraph (2), shall nevertheless be deemed to be the child of such insured individual if:

"(A) in the case of an insured individual entitled to old-age insurance benefits (who was not, in the month preceding such entitlement, entitled to disability insurance benefits)—

[79 Stat. 410]

"(i) such insured individual—

"(I) has acknowledged in writing that the applicant is his son or daughter,

"(II) has been decreed by a court to be father of the applicant, or

"(III) has been ordered by a court to contribute to the support of the applicant because the applicant is his son or daughter,

and such acknowledgment, court decree, or court order was made not less than one year before such insured individual became entitled to old-age insurance benefits or attained age 65, whichever is earlier; or

"(ii) such insured individual is shown by evidence satisfactory to the Secretary to be the father of the applicant and was living with or contributing to the support of the applicant at the time such insured individual became entitled to benefits or attained age 65, whichever first occurred;

"(B) in the case of an insured individual entitled to disability insurance benefits, or who was entitled to such benefits in the month preceding the first month for which he was entitled to old-age insurance benefits—

"(i) such insured individual—

"(I) has acknowledged in writing that the applicant is his son or daughter,

"(II) has been decreed by a court to be the father of the applicant, or

"(III) has been ordered by a court to contribute to the support of the applicant because the applicant is his son or daughter,

and such acknowledgment, court decree, or court order was made before such insured individual's most recent period of disability began; or

"(ii) such insured individual is shown by evidence satisfactory to the Secretary to be the father of the applicant and was living with or contributing to the support of that applicant at the time such period of disability began;

"(C) in the case of a deceased individual—

"(i) such insured individual—

"(I) had acknowledged in writing that the applicant is his son or daughter,

"(II) had been decreed by a court to be the father of the applicant, or

"(III) had been ordered by a court to contribute to the support of the applicant because the applicant was his son or daughter,

and such acknowledgment, court decree, or court order was made before the death of such insured individual, or

"(ii) such insured individual is shown by evidence satisfactory to the Secretary to have been the father of the applicant, and such insured individual was living with or contributing to the support of the applicant at the time such insured individual died."

Mr. FONG. Mr. President, in providing social security benefits for these illegitimate children, however, Congress failed to make any allowance for the impact of their claims upon the benefits of the legal widow or other legal claimants of the worker. For example, the maximum payable to the surviving family members, which is based on the deceased worker's earnings record, was not raised nor waived to accommodate the claims of any illegitimate children.

Thus, social security benefits for illegitimate children can—and in one instance that I know of—have reduced the social security benefits for legitimate claimants.

In a case brought to my attention this year, the Social Security Administration reduced from $109.50 to $54.80 the social security monthly benefit of a legal widow of a deceased worker, because illegitimate children of her late husband were ruled entitled to social security benefits under Public Law 89–97.

This widow's social security benefit is her only income. Although on review, one of the illegitimate children was ruled not entitled to benefits and her benefit was adjusted to $65 a month, this is a pitiful amount. She has written me many letters, and she cannot understand how Congress would be so cruel and unjust to the legal widow.

I believe that it Congress had realized the effect of the illegitimate children provisions, some provision would have been made to protect the legal dependents from such drastic diminution of their social security benefits.

Therefore, I am proposing to amend the Social Security Act—section 203(a)—to exempt from reduction of monthly benefits those widows whose husband's died prior to 1966 if the other claimants, first, are entitled to child's benefits under section 202(d), are not children of the widow, and would not have been considered prior to Public Law 89–97 to be the children of the deceased worker.

As the amendment is drawn, therefore, the exemption from reduction of benefits is extended only to those widows whose husband's died in 1965 or earlier in those cases where claims of an illegitimate child or children based on the same man's earnings record would, because of the family maximum, force a reduction in her benefit.

I am advised by the Social Security Administration's actuarial staff that the cost of my amendment would be "negligible." In their terms, this was defined as costing less than one one-hundredth of 1 percent of payroll. The Social Security Administration was unable to give me an estimate of the number of people that might be involved in the amendment, but their estimate is based on their judgment that very few persons would be affected.

As my amendment has very limited application—it is not applicable to all widows in the future, only to those whose husbands died before 1966—and as the cost is "negligible" according to the advice of the social security actuaries, I urge the Senate to approve my amendment.

This should be done in all fairness to widows who were receiving social security benefits as the legal surviving widow of a deceased worker, only to discover that Congress by enacting the illegitimate children provision suddenly and without warning deprived them of their full entitlement.

Mr. LONG of Louisiana. Mr. President, I understand the amendment and I am under the impression that the Senator is seeking to do justice to one of his constituents in Hawaii. So far as I am concerned, I am willing to take the amendment to conference, to study it and have it acted upon there.

Mr. President, I yield back the remainder of my time.

Mr. FONG. Mr. President, I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Hawaii.

The amendment was agreed to.

Mr. YARBOROUGH. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Texas will state it.

Mr. YARBOROUGH. I understand that 5 minutes have been allotted to each side on my amendment No. 959.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. YARBOROUGH. Mr. President, I yield myself 1 minute.

The ACTING PRESIDENT pro tempore. The Senator from Texas is recognized for 1 minute.

Mr. YARBOROUGH. Mr. President, I discussed this amendment yesterday and would refer Senators now in the Chamber to the RECORD of October 12, beginning on page 26421 and the succeeding six columns on pages 26422 and 26423, where this matter was fully explained with quotations from the record made before the Committee on Finance.

Let me point out that there is a provision in the bill to tax the interest which aliens who live abroad receive from their deposits, in American banks. There is also a provision to impose an estate tax on these bank deposits. This provision was put in the bill by the Ways and Means Committee. It was not an administration recommendation.

There are between $2¼ to $2½ billion on deposit in American banks at the present time owned by aliens living abroad. They do not live here. They are not citizens.

To levy this tax on their interest, and to levy this tax on their estates if they die, will only drive this money out of the United States into foreign countries at a time when our gold reserves have gone from $22 billion 10 years ago to $13.2 billion now. If all that money goes out of this country at one time, it will be disastrous to our balance of payments.

Mr. TALMADGE. Mr. President, will the Senator from Texas yield?

Mr. YARBOROUGH. I am happy to yield to the Senator from Georgia.

The ACTING PRESIDENT pro tempore. The time of the Senator from Texas has expired.

Mr. YARBOROUGH. Mr. President, I yield 2 minutes to the Senator from Georgia.

The ACTING PRESIDENT pro tempore. The Senator from Georgia is recognized for 2 minutes.

Mr. TALMADGE. Mr. President, I support the amendment offered by the distinguished senior Senator from Texas.

I interrogated Secretary of the Treasury Fowler on this very question when he appeared before the Finance Committee. His testimony appears on page 49 of the hearings and concludes on page 51 thereof, and I ask unanimous consent to have it printed in the RECORD at this point.

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

Senator TALMADGE. Mr. Secretary, do you know how much money foreigners have on deposit in banks, savings and loan associations, and insurance companies in the United States?

Secretary FOWLER. We have the figure on time deposits, Senator Talmadge, and that is two and a half billion dollars.

Senator TALMADGE. Do you have figures for other type deposits? One of my correspondents said the sum total of the three was $13 billion.

Secretary FOWLER. I think that includes all short-term banking liabilities to private foreigners, of which bank time deposits are only a part.

Within that larger total the private time deposits are two and a half billion dollars.

Senator TALMADGE. Let us look further into this problem and see how it might affect our balance of payments.

Assume that a citizen of South America has had deposits, for example in the Chase National Bank in certificates of deposit in the amount of $1 million. The interest rate now on this type deposit I think, is 5½ percent.

Secretary FOWLER. Yes, sir.

Senator TALMADGE. The interest on the $1 million over a period of 1 year would be $55,000, would it not?

Secretary FOWLER. That is right.

Senator TALMADGE. Now, if this bill passes in its present form it would be subject in 1971 to a 30-percent flat tax rate, would it not?

Secretary FOWLER. In 1972, it would be subject to a 30-percent U.S. tax rate. That is correct, sir.

Senator TALMADGE. That would be $16,500 he would pay on his certificate of deposit.

Assuming a citizen did not want to pay that tax, what would prevent him from withdrawing his money in the New York bank and transferring it to the same bank in Paris, France?

Secretary FOWLER. Nothing whatsoever.

Senator TALMADGE. In other words, that would mean if he were wise enough and had foresight enough and wanted to avoid this tax he would simply withdraw the $1 million he has on deposit in New York and transfer it to the Paris bank, thereby avoiding the tax and getting the same return, would he not?

Secretary FOWLER. That is correct, and I think I should add to that that most banks in Europe do accept dollar deposits from foreigners and pay about the same rate as is paid in the Euro dollar market, as it is called. The interest rate over the past year there has been ranging about a half percent higher than in the United States.

Senator TALMADGE. In other words, he would earn $5,000 more and escape the tax.

Secretary FOWLER. That is right, and to carry out the mathematics of your questioning, according to our computation the net return on deposits in these countries, if it is equal to the gross interest rate currently payable would be about 6½ percent on 3-month Euro dollar deposits compared to a gross yield in the United States of about 5½ percent and a net yield to a foreigner after application of the withholding tax, of about 3.85 percent.

Senator TALMADGE. Doesn't it seem to you logical that this particular foreigner would choose this course of action and increase his income by escaping the tax?

Secretary FOWLER. From my own simple knowledge of the situation I think it does present a case.

Senator WILLIAMS. Would the Senator yield at that point?

Senator TALMADGE. Yes.

Senator WILLIAMS. Assuming that the individual did that and deposited it in France, would he be subject to a tax in France, and would he have the same privileges of withdrawal and convertibility as he would have in this country or would he lose some of those advantages?

Secretary FOWLER. Insofar as the tax goes, Senator WILLIAMS, my earlier comments indicated that in France, Germany, and the Netherlands, he would not be subject to a tax in the source country. Insofar as convertibility goes, that is a much more complicated question. I do not want to hazard a comment on that, although my impression is that there is fairly free movement insofar as bank deposits are concerned.

Senator TALMADGE. Assuming, Mr. Secretary, that he made that transfer from the New York bank to the Paris branch of the same bank, would not that $1 million certificate of deposit be a factor in the further drain of our gold supply?

Secretary FOWLER. That is one of the consequences. There is a possibility of a gold impact from shifted dollar deposits.

Senator TALMADGE. Mr. Secretary, I listened to your testimony very carefully, and I think the main thrust of this bill would accomplish desirable ends, to increase investment in this country, and curtail our dollar drain. However, it seems to me that this particular provision of the bill which we have been discussing is calculated to do just exactly the opposite. Bank deposits are highly mobile in character. People are going to look for the highest possible short-range return, and if they can get a better return elsewhere and escape the tax, it is unquestionable that most foreigners would immediately transfer their deposits elsewhere to avoid the tax and get the higher return.

This probability is fraught with very grave danger, and so far as our dollar deficit is concerned, I would hope the Treasury would look into that aspect of it very carefully and be prepared to recommend to this committee, one way or another, what we ought to do about it.

Secretary FOWLER. Well, I think Senator, it is a question of weighing the balance-of-payments consideration with the tax equity consideration—two very valid considerations. The House Ways and Means Committee gave a preeminence to considerations of tax equity as between domestic citizens and the other——

Senator TALMADGE. I would agree with that aspect of it completely. Certainly I would hate to see the United States of America grant preferential treatment to foreigners that is not given its own citizens. But the fact remains we have jurisdiction over American citizens and we do not over foreigners.

Secretary FOWLER. That is the observation I was going to make. The foreigner has an option—he can leave his money here or he can take it someplace else.

Senator TALMADGE. An American does not.

Secretary FOWLER. The American has a much lesser option, shall we say and, therefore, looking at it from a balance-of-payments standpoint, I think one views this provision with a considerable amount of concern.

Senator TALMADGE. Then you would have the further inequity that results from some American banks having foreign branches and some not.

Secretary FOWLER. That is another aspect of the problem.

Senator TALMADGE. So the American bank with foreign branches might not lose any deposits. It would merely shift from the American branch to the foreign branch. The foreigner would get increased income on his deposit, and escape the tax at the same time. But if the American bank had no foreign branches it would lose the deposit, which would also further complicate the dollar deficit crisis.

Secretary FOWLER. I think that is true. And I would imagine that one of the considerations that led the House to defer the effective date of this provision until 1972 was so that banks without foreign branches that were interested in this business could arrange to open foreign branches.

Senator TALMADGE. Thank you, Mr. Secretary.

Mr. TALMADGE. As the Senator has stated, if this provision in the bill becomes law, in my judgment, it will do the very opposite of what the administration recommended—that is, to encourage more investment in the United States of America.

Dollars and liquid capital are highly fluid and highly mobile. To illustrate what would occur, a certificate of deposit in the Chase National Bank in the sum of $1 million would yield $55,000 in interest, but the provision in the bill would require a 30-percent withholding.

What would a foreign citizen do?

He would most likely withdraw his money and put it in the Chase-Manhattan Bank in Paris, France, and pay no tax on it and earn 7 percent.

In other words, what he would do would be to withdraw his money. I do not think we want that at a time when we are losing dollars and losing gold.

I recommend that the amendment of the Senator from Texas be agreed to.

Mr. ROBERTSON. Mr. President, will the Senator from Texas yield?

Mr. YARBOROUGH. Mr. President, I yield 1 minute to the Senator from Virginia.

The ACTING PRESIDENT pro tempore. The Senator from Virginia is recognized for 1 minute.

Mr. ROBERTSON. Mr. President, I invite the attention of the Senate to the fact that although I do not know the fundamental reason why the Ways and Means Committee put this provision in the bill, they must have felt uncertain about their position in that they provided the tax would not become effective for 6 years.

Now, no one can lift the veil of the future and see what the situation is going to be in this or any other country 6 years from now. Neither can we bear six successive sessions of Congress if we should go ahead and do this—and I do not recognize it now. There will be plenty of time within the next 6 years to do it.

I hope that the amendment of the Senator from Texas will be adopted.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. Mr. President, I yield time I had on this amendment to the Senator from Delaware, who is opposed to it.

The ACTING PRESIDENT pro tempore. The Senator from Delaware is recognized.

Mr. WILLIAMS of Delaware. Mr. President, under present law, foreigners—including foreign corporations—are generally entirely exempt from U.S. tax on the interest income they derive from their bank deposits in the United States. I think the Senate might be interested in knowing where these funds come from. The Secretary of the Treasury when testifying stated that with respect to the $2.5 billion of foreign-owned time deposits in U.S. banks, about one-half or $1.3 billion is held by Latin Americans, and of this $1.3 billion, about half of that, or $.7 billion is held by citizens of Argentina, Venezuela, and Mexico. By way of contrast, the citizens of Venezuela have more money in U.S. time deposits than the citizens of all the countries of Europe. In other words, the members of the wealthy classes of South America can place their money in the safe confines of U.S. banks, enjoy the safety which this country provides and pay no taxes to this Government which provides them the sanctuary for their millions. This occurs even though their native lands are less-developed countries and need these funds at home.

Let me also point out that this amendment is not effective until 1972, and therefore, these wealthy foreigners will, in any event, enjoy this exemption until that time. The banks are not satisfied with a 5-year prospective effective date. They have already raised the cry of fear that these wealthy foreigners have begun to withdraw their funds notwithstanding the fact that they will not be subject to U.S. tax until 1972. I think the facts disprove their fears. The Committee on Finance has been informed that the time deposits held by foreigners have continued to increase in the recent months notwithstanding the fact that this provision was enacted by the House of Representatives 6 months ago. In the month of July alone, the deposits of these foreigners increased more than $70 million.

It seems very inconsistent to me for this country to always be pressuring our good neighbors to the south to enact fair and equitable tax systems which will require their wealthy citizens to pay their fair share of the costs of their governments while at the same time the United States is providing the primary tax haven for the fortunes of these same wealthy South Americans. I might add, that in addition to constituting a tax haven, a U.S. bank is a very good hiding place for these foreign fortunes.

In view of all of these facts, I see no equitable reason why, once we get our balance of payments in control, that we should continue to allow the United States to serve as a tax haven for the wealthy of the world.

I therefore urge that this amendment be rejected, the same as it was rejected by the Finance Committee.

Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. WILLIAMS of Delaware. The adoption of this amendment would nullify the tax provisions of this bill.

For all practical purposes it defeats the purpose of title I.

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

Mr. WILLIAMS of Delaware. I yield.

Mr. LAUSCHE. If this amendment is adopted, the basic proposal that came before us is out and all that will be left will be the pork barrel amendments. Is that correct?

Mr. WILLIAMS of Delaware. Not entirely, but one of the main features of title I as it came from the House would be nullified. The purpose of this bill originally was to prevent the United States from becoming a tax haven for citizens of foreign countries who were hiding their money.

Mr. LONG of Louisiana. Mr. President, I yield myself 2 minutes.

The Senator's amendment would continue existing law with respect to nonresident aliens who deposit their money here. I think the Senator from Georgia [Mr. TALMADGE] stated it best before the committee. He said he would like to see the Sheik of Kuwait take his money out of British banks and put it in American banks, because it would help us with our balance of payments. He said he would like to see the Sheik of Kuwait pay the same taxes that the Senator from Georgia pays, but, unfortunately, he had no control over that. However, he would like to see the Sheik of Kuwait deposit his money in this country because it would help us with our gold balance.

The House felt that we ought to tax them the same as American citizens are taxed. The provision would not go into effect until 1972. So if we want to tax the bank deposits of the Sheik of Kuwait, for example, we can enact legislation to tax him in 1967, in 1968, or in 1969. If we decide we want to tax him, we can do it, but it may be that then he would take his money back to Britain. So the Senator's amendment would in effect delete what the House recommended. However, the Treasury does not oppose the amendment. They say the amendment would make it a better balance-of-payments bill. They would also from a tax equity point of view like to be able to tax the money of the Sheik of Kuwait, but they do not have jurisdiction over him. They will take either what the Senator from Delaware or the Senator from Texas suggests.

Frankly, if we can go to conference with the amendment, I would like to see us work something out in conference. I would like to see us be able to say to nonresident aliens with deposits in U.S. banks, "We will give you a choice. You can pay the tax you would pay your own government or you can pay us the tax you would have to pay if you were a citizen of this country. Take your choice."

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. LONG of Louisiana. I yield myself 1 additional minute.

If we agree to the amendment, we can work it out in conference. If we do take the amendment, it will give us leverage.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield me 1 minute?

Mr. LONG of Louisiana. I yield.

Mr. WILLIAMS of Delaware. The Senator from Louisiana has suggested that we could take this amendment to conference. If it is to be taken to conference with the intention of dropping it in conference let us do it here. If the amendment is approved we have defeated the original purpose of title I.

The question here is, Do we want to place our country in a position of being used as a tax haven for hot money from all parts of the world?

Mr. LONG of Louisiana. Mr. President, I have discussed this matter with our staff. Our technicians believe that, if we take the amendment, the whole

bank-deposit taxation issue will be in conference and we can work out any compromise we are able to. If the Senate does not think the issue should be brought to conference, the Senate can vote down the amendment.

Mr. YARBOROUGH. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. YARBOROUGH. Do I have 1 minute remaining?

The ACTING PRESIDENT pro tempore. The Senator does.

Mr. YARBOROUGH. I ask unanimous consent that a table from page 63 of U.S. News & World Report for October 17, 1966, entitled "Why There's Worry About U.S. Gold Supply," be printed in the RECORD at this point.

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

WHY THERE'S WORRY ABOUT U.S. GOLD SUPPLY

Over the past decade, U.S. reserves of gold have dropped by almost $9 billion, to lowest point in more than a quarter century.

[In billions]

Gold in other countries:	
10 years ago	$14.9
Now	27.6
Up	12.7
Gold supply in United States:	
10 years ago	$22.0
Now	13.2
Down	8.8

But foreign claims against U.S. gold keep rising. An even heavier drain on reserves could come if all these claims were presented.

[In billions]

Dollars held by other nations for which gold could be demanded:	
10 years ago	$14.4
Now	29.0
Up	14.6

If all foreign claims were pressed, there would not be enough U.S. gold to go around. As supply dwindles, Americans more and more are wondering what's causing this drain, what can be done to protect remaining reserves.

NOTE.—Foreign gold holdings and claims against U.S. gold exclude those of the International Monetary Fund.

Source: Federal Reserve Board.

Mr. YARBOROUGH. Mr. President, in conclusion, let me say that there are almost $2½ billion, $1.3 billion from Latin America, most of that from Mexico, Argentine, and Venezuela, on deposit in American banks. If we tax these deposits, they can place that money in France, Germany, the Netherlands, or elsewhere, where they will not have to pay any tax on those deposits. There is a tax of 5 percent in some countries. In England there is a technical tax of 4½ percent, but they do not enforce it. If we want to drive those deposits out of U.S. banks into banks in Paris or Bonn or Rotterdam or Amsterdam, we can do it.

The point is that, regardless of where this money comes from, if we impose this tax on it, the money will flee this country and go to Paris, Bonn, London, or the Netherlands. The way to redress the problem which the distinguished Senator from Delaware speaks of is by multilateral international treaty. If we act unilaterally we are cutting off our nose to spite our face.

And in answer to the Senator's argument that we would be gutting the original purpose of the bill if we remove this provision, I repeat what I said earlier—that this provision was not even in the administration bill.

The ACTING PRESIDENT pro tempore. All time on the amendment has expired. The yeas and nays have been ordered.

Mr. WILLIAMS of Delaware. Mr. President, I yield 2 minutes on the bill to the Senator from Kansas [Mr. CARLSON].

Mr. CARLSON. Mr. President, I voted against this amendment in committee, and I shall vote against it today. The chairman of the committee has suggested that we may take it to conference. I voted against the amendment because many of the wealthy in Latin America send their money up to this country for deposit when they should be investing that money in their own country, instead of asking the United States for aid.

I hope the Senate will vote it down.

Mr. MANSFIELD. Mr. President, will the Senator from Delaware yield me 2 minutes?

Mr. WILLIAMS of Delaware. I yield 2 minutes on the bill to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, I yield that 2 minutes to the distinguished Senator from Louisiana [Mr. ELLENDER], who has a group of colleagues and friends to bring into the Chamber.

The ACTING PRESIDENT pro tempore. The Senator from Louisiana [Mr. ELLENDER] is recognized.

VISIT TO THE SENATE BY MEMBERS OF THE PARLIAMENT OF SWEDEN

Mr. ELLENDER. Mr. President, I am delighted to present to the Members of the Senate a group of 32 Members of the Parliament of Sweden, who are visiting the United States to study our agriculture. They are members of the Agriculture Committee of the Parliament.

I am proud to say that about 2 years ago another group from Sweden visited the United States, and I am informed that they paid their own expenses.

This fine group arrived in this country on October 9 and will remain until October 31. They will visit Illinois, Iowa, Minnesota, Colorado, and California. I am sorry that they will not have time to visit the South, especially Florida, North Carolina, Mississippi, and Louisiana, where we have an extensive agricultural development. But I am proud to know that they will visit as much of our country as they indicate they will.

These good people from Sweden are interested in studying our agriculture, and I express the hope that they will learn much from us. We welcome them and wish them well.

As chairman of the Committee on Agriculture and Forestry, I am proud to again welcome them to our country. I wish to emphasize again that they are here not at the expense of our Government, but at the expense of the Parliament of Sweden. It is most refreshing to have so many fine persons visiting with us.

Mr. LONG of Louisiana. Mr. President, will my colleague yield?

Mr. ELLENDER. I yield.

Mr. LONG of Louisiana. We also can learn much from Sweden. It was my privilege to see their experiment station for the raising of cattle. What they are developing is absolutely magnificent.

Mr. ELLENDER. I, too, have had occasion to visit Sweden and there is no doubt but that we can learn a great deal from the Swedes. They have made great strides in developing their dairy and forestry resources.

Mr. President, before I yield to the distinguished Senator from Kansas, who, by the way, has Swedish blood in his veins, I wish to introduce to the Senate the chairman of the delegation from Sweden, Mr. Nils Gunnar Hansson, who is a member of the Centerparty and chairman of the Agriculture Committee of the Parliament of Sweden.

[Applause, Senators rising.]

Mr. President, I ask unanimous consent that I may place at this point in the RECORD the names and the party affiliations of the members of the Swedish delegation.

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

List of members, deputies, and office staff from the Agriculture Committee of the Swedish Parliament which are scheduled to tour agricultural and other areas in the United States from Oct. 9 to 31, 1966

Name	Political affiliation	Birth	Occupation	Home address
Chairman: Nils Gunnar Hansson	Centerparty	1902	Farmer	Skegrie.
Vice chairman: Eric C. Valdemar Mossberger	Social Democrat		Public relations representative	Skattagard Getinge.
Members:				
Arthur Lage Svedberg	do	1901	Farmer	Box 1050, Burtrask.
Nils Birger Hansson	Liberal	1900	Forester	Esplanaden 9, Rooneby.
Carl Eskil Eskilsson	Conservative	1906	Farmer	Blidsater, Bjorsater.
Tuve Uno E. Hedstrom	Social Democrat	1915	do	Harads.
Nils Magnusson	do	1912	do	Vrangerod, Grebbestad.
Herbert Hansson	Centerparty	1906	do	Kvistljungeby, Hovgarden.
Jonas A. Gillis Augustsson	Social Democrat	1912	Employed in metal industry	Ribbings vag 13, Boxholm.
Gunnar Pettersson	Liberal	1899	Agricultural	Asgatan 3, Kungalv.
B. Birger J. Isacson	Conservative	1917	Farmer	Fornbygard, Honrdal 2.
Helge Borge Lindstrom	Social Democrat	1901	do	Lockne, Brunflo.

List of members, deputies, and office staff from the Agriculture Committee of the Swedish Parliament which are scheduled to tour agricultural and other areas in the United States from Oct. 9 to 31, 1966—Continued

Name	Political affiliation	Birth	Occupation	Home address
Members—Continued				
Mrs. Elsa Ingeborg Lindskog	do	1904	Social employee	Box 107, Soderbarke.
Sven Oskar Antby	Liberal	1908	Farmer	Langared, Anten.
Bengt E. Arweson	Social Democrat	1904	Fisherman	Nors. Gothem.
Eric W. Johanson	do	1905	Printer	Savermalmagatan 5, Vastervik.
Erik Valdemar Johansson	do	1923	Office manager	Krabbegatan 23, Simrishman.
Harald A. I. Pettersson	Center Party	1918	Farmer	Fredangen, Kvanum.
Rolf Elias Eliasson	Conservative	1912	Farm manager	Stensfalts Gard, Fagre.
Sven Gustav F. Persson	Social Democrat	1911	Agricultural employee	Kvarntorp, Appuna Vaderstad.
Bror Arvid Nilsson	Liberal	1906	Employed in lumber industry	Norregatan, Lonsboda.
John Erik Bertil Jonasson	Center Party	1918	Farmer	Post Office Box 1060, Haggarden.
Wilhelm Emanuel Olsson	Social Democrat	1908	Chairman, municipal board	Solbergavagen 7, Nykvarn.
Lennart Yrjo Wanhainen	do	1914	Farmer	Erkheikki, Erkheikki 22:1.
Nils Ragnar Sveningsson	Conservative	1906	do	Hassleas, Tranemo.
Bo Assar Skarman	Liberal	1908	Surveyor	Marledalsvagen 2, Alingsas.
Folke Emil Trans	Social Democrat	1909	Farmer	Transholm, Valo.
Carl Eric Hedin	Conservative	1919	do	Karrboda, Nykoping.
Eskil Gunnar F. Eskilsson	Social Democrat	1908	Municipal employee	Vanadisvagen 15, Stockholm, Va.
Karl Sigvard E. Rimas	Liberal	1909	Farmer	Asandby, Medevi.
Per Anders Bertil Dahlgren	Center Party	1925	do	Backaskog, Valdemarsvik.
Villiam Evert Bjork	Social Democrat	1923	Manager, commercial garden	Bjorks Tradgard, Paarp 2, Paarp.
Office staff:				
Bengt Eugen Dahlstrom		1923	Director	Fogdevagen 40, Johanneshov.
Cote Birger Sioalth		1925	Secretary	Larsbodavagen 46.
Olof Gunnar Jeppson		1928	Bureau director	Holmbodavagen 71, Rotebro.
Mrs. Eva A. Sarnmark		1906	Parliament staff	Untravagen 1, Stockholm NO.
Lennart Albin Edlund		1924	do	Herr Stens vag 29, Alvsjo.
American Embassy in Stockholm: Dr. Georg Frostenson		1909	Agricultural economist	Skansvagen 52, Sollentuna.

Mr. ELLENDER. Mr. President, I now yield to the distinguished Senator from Kansas.

Mr. CARLSON. Mr. President, I wish to extend a very personal greeting to this fine group of folks from the country from which my parents emigrated. My father, as a young man, 23 years of age, came from the Province of Ostergotland; my mother, as an 18-year-old girl, came to the United States from the Province of Varmland. With this Swedish background, I am delighted to welcome this outstanding delegation from the home country of my parents.

I myself speak Swedish, and if it were not for the fact that it would confuse Senators and the Official Reporters of Debates, I would extend greetings in the Swedish language, although it may be a little faltering. I am delighted that we have these fine folks in our midst this morning.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the Senator from Kansas be permitted to speak to our visitors in their native language.

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

Mr. CARLSON. Jag vill gjärna byda Er alla hjärtlig valkomna till U.S. Senaten. Min mor var född nära Anvika i Värmland, "du sköna". Vänern och Trollhattan var nära hemtrakten.

Min far var född i Östergötland och komm till Amerika i 1882.

Min hustrus föräldrar är fran Skane och Smaland.

Jag välkommar eder.

Mr. President, I often think of my mother, who as an 18-year-old girl left that beautiful section of Sweden to come to an area in the Midwest which was not too well settled in the early 1880's. It was treeless and quite different from the land she left. When these good people visit the Midwest, I feel certain that they will fully understand what I mean.

I am most pleased to welcome them. [Applause.]

Mr. AIKEN. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield to the Senator from Vermont.

Mr. AIKEN. I should like to add to our welcome to these fine folks from Sweden. I suggest that we make the most of their visit, because, if we will pay attention, we can learn a great deal from them. I do not know what they will learn from us, but I know that we have learned much from the Swedes. In fact, my State had a Governor named Johnson, a few years ago, who was born in Stockholm. They have taught us much in the past, and I think probably we can learn more from this visiting group than they will from us. But I hope they will have a very enjoyable time while in this country.

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

Mr. ELLENDER. I yield to the majority leader.

Mr. MANSFIELD. Mr. President, I wish to join the distinguished Senator from Louisiana, the distinguished Senator from Kansas, and the distinguished Senator from Vermont in extending greetings to our visitors from Sweden.

I think they undoubtedly can teach us a great deal more than they can learn from us. I point out that the State of Montana, like Vermont, had a Swedish Governor, a man born and raised in Sweden, who also claims the distinction of having reached the same status as Columbus in discovering America, because, when he came to this country as a young man, he rode the rods, as we used to say, and dropped off at a place named Columbus, Mont. That was his introduction to this country.

He was a great Governor. Unfortunately, he was a Republican, but that takes nothing from the fact that under his 8 years as Governor of the State of Montana, he did a splendid job for our State, and when he retired, he did so voluntarily. He was not defeated.

Welcome; and we hope that you will stay with us a long time. [Applause.]

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

Mr. ELLENDER. I yield to the Senator from Florida.

Mr. HOLLAND. I wish to state for the RECORD that our country is most fortunate to have a large infusion of Swedish blood. The U.S. Senate likewise is fortunate. The Senator from Kansas [Mr. CARLSON], a great Senator, formerly Governor of his State, has already told about his Swedish antecedents. The Senator from New Mexico [Mr. ANDERSON], another great Senator who is not here today, is also a son, once removed, of Sweden; and he served as Secretary of Agriculture of this Nation before he came to the Senate. The Senator from Washington [Mr. MAGNUSON], a great Senator and the chairman of our Commerce Committee, has recently returned from a trip to Europe, and I know that he rarely misses an opportunity to go back to Sweden, the home of his forebears.

We in this Nation are greatly indebted to Sweden, and I am sure we shall feel even more greatly indebted after we have learned from this distinguished committee the things which they will tell us during their stay here.

I say to them, welcome many times to our great country. I am only sorry their itinerary will not take them into Louisiana, Georgia, South Carolina, North Carolina, Florida, and the South generally. Several of us from the South have had a chance to visit with them this morning. I heard the eloquent welcoming remarks of the distinguished Senator from Georgia [Mr. TALMADGE] and the distinguished Senator from South Carolina [Mr. RUSSELL], who is about to leave us to don the robes of the judiciary.

We welcomed them, and we invited them to visit our section of the country, but we were told they would not be coming to the South. All I can say is that if they should come, they would be met with all hospitality, because we recognize Sweden as one of the great contributors to our national life.

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

Mr. ELLENDER. I yield to the Senator from Texas.

Mr. YARBOROUGH. Mr. President, I regret that this distinguished delegation will not be able to visit my home State of Texas, because people from

Sweden started coming to Texas in the 1840's, when Texas was a republic.

My home city of Austin, Tex., now the State capital, has a Swedish language newspaper, the Texas Posten. There are numerous Swedish Lutheran and Methodist churches there today, where services are held in Swedish. I have been to a number of religious services in Texas, in those Swedish Lutheran and Methodist churches, where the services were in Swedish. I say to our visitors, you would find a warm welcome, you would find many people of Swedish descent, and you would find the Swedish language spoken in the churches, and a Swedish language newspaper published in my home city of Austin, Tex.

We salute you, Swedish citizens, just as we salute our citizens of Swedish descent, who played such a great and significant part in the development of this Nation.

Mr. ELLENDER. Mr. President, I thank my fellow Senators for their part in this warm reception.

EQUITABLE TAX TREATMENT FOR FOREIGN INVESTMENT IN THE UNITED STATES

The Senate resumed the consideration of the bill (H.R. 13103) to amend the Internal Revenue Code of 1954 to provide equitable tax treatment for foreign investment in the United States.

Mr. MANSFIELD. Mr. President, I suggest that we have the vote on the amendment, and during the course of the vote, Senators who so wish may have the opportunity to visit with their fellow parliamentarians from Sweden.

The ACTING PRESIDENT pro tempore. All time on the amendment having expired, the question is on agreeing to the amendment of the Senator from Texas. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. DIRKSEN (after having voted in the negative). On this vote I have a pair with the Senator from Montana [Mr. METCALF]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withdraw my vote.

Mr. LONG of Louisiana (after having voted in the affirmative). On this vote I have a pair with the Senator from Nebraska [Mr. CURTIS]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withdraw my vote.

Mr. LONG of Louisiana. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Indiana [Mr. BAYH] the Senator from Idaho [Mr. CHURCH], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. GORE], the Senator from Michigan [Mr. HART], the Senator from Arizona [Mr. HAYDEN], the Senator from New York [Mr. KENNEDY], the Senator from New Hampshire [Mr. MCINTYRE], the Senator from Montana [Mr. METCALF], and the Senator from Utah [Mr. Moss] are necessarily absent.

I further announce that, if present and voting, the Senator from Indiana [Mr. BAYH] and the Senator from Mississippi [Mr. EASTLAND] would each vote "yea."

On this vote, the Senator from Michigan [Mr. HART] is paired with the Senator from Utah [Mr. Moss].

If present and voting, the Senator from Michigan would vote "nay" and the Senator from Utah would vote "yea."

Mr. KUCHEL. I announce that the Senators from Colorado [Mr. ALLOTT and Mr. DOMINICK], the Senator from New Jersey [Mr. CASE], the Senator from Kentucky [Mr. COOPER], the Senator from Nebraska [Mr. CURTIS], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from Idaho [Mr. JORDAN], the Senator from Kansas [Mr. PEARSON], the Senator from Vermont [Mr. PROUTY], the Senator from Pennsylvania [Mr. SCOTT], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from California [Mr. MURPHY] is detained on official business.

If present and voting, the Senators from Colorado [Mr. ALLOTT and Mr. DOMINICK], the Senator from California [Mr. MURPHY], and the Senator from Kansas [Mr. PEARSON] would each vote "nay."

If present and voting, the Senator from Texas [Mr. TOWER] would vote "yea."

The pair of the Senator from Nebraska [Mr. CURTIS] has been previously announced.

In this vote, the Senator from Pennsylvania [Mr. SCOTT] is paired with the Senator from Idaho [Mr. JORDAN]. If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from Idaho would vote "nay."

The result was announced—yeas 47, nays 27, as follows:

[No. 301 Leg.]

YEAS—47

Bartlett	Holland	Proxmire
Bass	Inouye	Randolph
Bible	Jackson	Ribicoff
Brewster	Javits	Robertson
Byrd, Va.	Jordan, N.C.	Russell, S.C.
Byrd, W. Va.	Kuchel	Russell, Ga.
Cannon	Long, Mo.	Smathers
Clark	Magnuson	Sparkman
Dodd	McClellan	Stennis
Ellender	McGee	Symington
Ervin	McGovern	Talmadge
Fulbright	Monroney	Thurmond
Gruening	Montoya	Williams, N.J.
Harris	Nelson	Yarborough
Hartke	Neuberger	Young, Ohio
Hill	Pell	

NAYS—27

Aiken	Hruska	Mundt
Bennett	Kennedy, Mass.	Muskie
Boggs	Lausche	Pastore
Burdick	Mansfield	Saltonstall
Carlson	McCarthy	Simpson
Cotton	Miller	Smith
Fannin	Mondale	Tydings
Fong	Morse	Williams, Del.
Griffin	Morton	Young, N. Dak.

NOT VOTING—26

Allott	Douglas	Metcalf
Anderson	Eastland	McIntyre
Bayh	Gore	Moss
Case	Hart	Murphy
Church	Hayden	Pearson
Cooper	Hickenlooper	Prouty
Curtis	Jordan, Idaho	Scott
Dirksen	Kennedy, N.Y.	Tower
Dominick	Long, La.	

So Mr. YARBOROUGH's amendment was agreed to.

Mr. YARBOROUGH. I move to reconsider the vote by which the amendment was agreed to.

Mr. TALMADGE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The amendment was agreed to.

The ACTING PRESIDENT pro tempore. The question is on the engrossment of the committee amendment, as amended, and the third reading of the bill.

The committee amendment, as amended, was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. DIRKSEN. I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, I should like to ask the distinguished minority leader about the schedule for the rest of the day and perhaps the rest of the week.

Mr. MANSFIELD. Mr. President, I am delighted to have this opportunity——

Mr. PASTORE. Mr. President, may we have order? I understand that this is quite important.

The ACTING PRESIDENT pro tempore. The Senator is correct. The Senate is not in order.

Mr. PASTORE. Anything the majority leader has to say is quite important.

Mr. MANSFIELD. Especially when it has to do with adjournment.

First, Mr. President, I ask that the Chair lay before the Senate a message from the House.

AMENDMENT OF TITLE 18, UNITED STATES CODE, RELATING TO NARCOTIC ADDICTION

The ACTING PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 9167) to amend title 18 of the United States Code to enable the courts to deal more effectively with the problem of narcotic addiction, and for other purposes; and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. MANSFIELD. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Senators MCCLELLAN, ERVIN, DODD, HRUSKA, and JAVITS conferees on the part of the Senate.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, in response to the specific question raised by the distinguished minority leader, I would call the Senate's attention to the fact that immediately after the vote on the pending measure, we will vote on Executive S, 89th Congress, 2d session—the International Convention on Load Lines, 1966, which is noncontroversial, having to do with measurements of ships, and which has already been discussed.

Mr. President, then it is intended to take up various conference reports and other bills on the calendar if they can be cleared in time, and it does look as if they can be.

Tomorrow we will consider the public works authorization bill, the State, Commerce, and Justice appropriation bill, and the 7-percent investment credit bill.

We will come in early. I shall discuss with the distinguished minority leader whether it will be 9 or 10 o'clock tomorrow morning. It will not be later than 10 o'clock.

If we finish the 7-percent investment credit bill tomorrow we will not meet Saturday; if we do not finish it we will meet Saturday.

EQUITABLE TAX TREATMENT FOR FOREIGN INVESTMENT IN THE UNITED STATES

The Senate resumed the consideration of the bill (H.R. 13103) to amend the Internal Revenue Code of 1954 to provide equitable tax treatment for foreign investment in the United States.

Mr. WILLIAMS of Delaware. Mr. President, I yield 2 minutes to the Senator from Vermont.

Mr. AIKEN. Mr. President, I shall not require 2 minutes.

Mr. COTTON. Mr. President, may we have order? We cannot hear.

The ACTING PRESIDENT pro tempore. The Senator will not proceed until we have order. Senators will take their seats.

The Senator from Vermont may proceed.

Mr. AIKEN. Mr. President, I simply want to say that while the pending legislation has two or three reasonable and acceptable provisions in it, the bill as a whole is such a perfect example of irresponsible legislating that I shall vote against it.

Mr. WILLIAMS of Delaware. Mr. President, I yield 5 minutes to the Senator from Ohio.

The ACTING PRESIDENT pro tempore. The Senator from Ohio [Mr. LAUSCHE] is recognized for 5 minutes.

Mr. LAUSCHE. Mr. President, may we have order in the Chamber? There is no sense trying to speak if others are going to talk louder than the Senator who has the floor.

The ACTING PRESIDENT pro tempore. The Presiding Officer will try to get order in the Senate.

The Senate will be in order.

Mr. LAUSCHE. Mr. President, I cannot vote for the bill with the provisions now contained in it. If the bill had been stripped of the many pork-barrel payments and reduced to its initial purpose of providing equitable tax treatment to foreign investors in the United States, and if the amendment relieving the aged in a part of their buying of drugs and medicines had remained in the bill, it would have had my vote.

Instead of narrowing the scope of mineral mining operations, investment tax credits under the principle that the taxpayer has depleted his mineral possessions, the bill, on the contrary, has expanded the indefensible tax law giving such privilege to the oil, gas, coal, and other mineral producers.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. LAUSCHE. Mr. President, when I came to the Senate 10 years ago and listened to the very first argument against the largeness of the tax credit given to the miners of minerals such as gas and oil, I had hoped that some day there would be a narrowing of this largeness.

Today, however, I find, instead of the scope being narrowed, it is broadened.

Four sections in the bill liberalize the bounties that are given to the rich, and I use the term "rich" because yesterday it was argued that this bill is intended to help the poor.

Mr. President, I favor giving aid to the aged. I favor the adoption of a law that would provide equity to foreign investors. The bill as originally written was sound. Then, the pork-barrel operation began. What is the content of the bill today? Everyone who had some pet project to serve came running in with an amendment. Every amendment that has been offered has been adopted.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. LAUSCHE. I shall yield in a moment.

Mr. LONG of Louisiana. Would the Senator like to insist on that statement?

Mr. LAUSCHE. How many have been beaten? No; I shall finish my statement.

Mr. LONG of Louisiana. My recollection is that a number of amendments offered were defeated.

Mr. LAUSCHE. No; the Senator accepted practically everything that was offered.

It is a pork-barrel proposition, and that is all it is. I am not going to join in that type of operation so long as I am a representative of the State of Ohio.

Depletion of capital investment for oyster shells and clam shells. Who ever heard of so nonsensical a proposition. What ownership do the oyster and clam shell people have of the oysters and clams in the sea off Louisiana? That was a special provision to serve the Louisiana dealers in oyster shells.

The bill, as it now stands, has all of the evils of a pork-barrel tax bill. The weaknesses and the evils in our tax law, instead of being eliminated, have been aggravated. The taxpayer has been forgotten.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

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

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

Mr. LAUSCHE. Mr. President, the taxpayer is being taken for a ride, and a rough ride. The privileged already enjoy a great tax benefit and are being further served by this bill.

The bill will not have my vote and if I had more time I would denounce it in more vigorous terms than I have.

Mr. PASTORE. Mr. President, will the Senator yield to me for 2 minutes?

Mr. WILLIAMS of Delaware. Mr. President, I yield 2 minutes to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, possibly it is not with the same vehemence, but I agree with the logic of the Senator from Ohio [Mr. LAUSCHE].

What I cannot accept in this bill is the incongruity it represents. We are going to meet here possibly on Saturday to remove from the American business community the opportunity of the 7-percent tax credit. We are made to understand that this is necessary in order to avoid inflation.

Mr. President, I would accept this bill if we had adhered to the recommendation of the administration, but we have gone beyond that. We have gone far beyond that. We are talking out of both sides of our mouths. In one instance we are trying to enrich the Treasury and at the same time depleting the Treasury with these concessions which are being made. That is an incongruity.

Mr. President, I cannot accept that incongruity at this moment and I shall vote against the bill.

Mr. WILLIAMS of Delaware. Mr. President, how much time have I remaining?

The ACTING PRESIDENT pro tempore. The Senator from Delaware [Mr. WILLIAMS] has 5 minutes remaining.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 2 minutes.

The Senator from Rhode Island has stated the case very well. Based on the estimates of the committee staff, the adoption of the bill in its present form will lose revenues of around $450 million, and based upon the Treasury Department estimate there will be a loss of between $500 and $600 million.

The Senate action yesterday and today has raised the committee estimate. The first committee estimate was $410 million, but title I would pick up $26 million in tax revenue. The recent amendment just adopted, eliminated that revenue. Yesterday's adoption of H.R. 10 raised the revenue loss another $50 million.

All revenue producing features of the bill have been eliminated and all other amendments liberalizing the tax laws were accepted.

The result is a loss now of well over the $500 million figure.

Tomorrow, we shall be confronted with a bill which will raise the taxes of American business. As the Senator from Rhode Island has pointed out, the next bill is being offered on the basis it would combat inflation.

I happen to be one who felt that we had to do something in that direction,

and I supported the proposal to repeal the 7-percent investment tax credit. I felt that we had to take some affirmative action to combat the inflationary spiral which is in our midst, but we are not combating it today by passing a measure here which in effect will be a tax reduction of around $500 million—a $500 million tax reduction which goes not to the American people as a whole but to a few special groups who are fortunate enough to be mentioned in the bill.

I will have no part of this grab bag, and I am going to vote against it. I say that as one strongly in favor of the administration's proposal which was embraced in title I. I should like to have supported it as it was in its original form when reported by the Senate Finance Committee.

Mr. SIMPSON. Will the Senator from Delaware yield?

Mr. WILLIAMS of Delaware. I yield to the Senator from Wyoming.

Mr. SIMPSON. I should like to make the observation that I want to be associated with the distinguished Senator from Delaware, as well as the Senator from Rhode Island [Mr. PASTORE] with respect to what they have just said.

They are the most logical statements I have heard since this monstrosity started its way through the Senate.

I trust that the RECORD never gets into the hands of our boys in Vietnam.

Mr. LONG of Louisiana. Mr. President, it has been suggested that we should adopt no amendment, but should merely rubberstamp the administration bill as amended by the House. As a practical matter, what we are talking about is absurd. The Treasury Department has very competent and dedicated individuals, such as Secretary Henry Fowler, Under Secretary Joseph Barr, Assistant Secretary Stanley Surrey, and Joseph Bowman. But that does not mean that Congress should accept their recommendations without modification. To be sure, the original Treasury bill was amended in large part by the House. The Senate has a right to amend the bill if we want to do so, too.

I think the Senate made a terrible mistake last night when it voted to accept the full text of H.R. 10 which was offered by the Senator from Indiana [Mr. HARTKE]. But, one thing that I cannot do is to defeat a measure when it has a majority of Senators voting for it, and a majority of Representatives voting for it in the House of Representatives.

Perhaps the President can defeat it by vetoing it, but I cannot defeat what a majority of Senators want and a majority of Members of the House want. I just cannot do that. I am sorry, Senators, but I did what I could. I could not defeat the H.R. 10 amendment. The Senate did it, and that is what the Senate wanted to do. I am willing to bow to the will of the majority of Senators, even though I think that in this case the majority is wrong.

Let us see what else we have here. Beyond what the administration recommended, we did $285 million worth of kindness to the aged in this country. We provided them with drugs. We continued favorable tax treatment when they are sick at home and have to pay their own medical expenses.

Mr. President, that is where 80 percent of the cost of this bill is. That, plus H.R. 10 is 90 percent of the cost of the bill.

We also said we would stop having just the wealthy few finance presidential campaigns and have every American taxpayer, designate $1 of his taxes to finance presidential campaigns, with an equal amount going to the Republicans and to the Democrats. The administration did not say to do it, and they did not say not to do it. That takes care of that. That takes care of 98 percent of what is in the bill.

What is the other 2 percent?

Mr. PASTORE. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. PASTORE. Does not the Senator feel that there has been so much nobility expressed to help the aged—for whom I stand and bow to no one, and tip my hat to no one, when it comes to voting for legislation to help the elderly—but there is a Trojan horse in this bill.

If we could bring in a pure and clean bill to the floor of the Senate, I think that the Senate would vote for it unanimously, but we cannot use that as a Trojan horse to cover up on these other concessions to the vested interests throughout the land which are represented in this bill. That is what is obnoxious about it.

Mr. LONG of Louisiana. If the Committee were to report an unamended bill to the Senate, still any Senator could offer an amendment, for example, to provide for a depletion allowance to give Georgia clay tax treatment similar to that available for a competitive product which is produced in foreign countries. That will help our balance of payments and bring revenue into the U.S. Treasury. It will provide employment and help to fight poverty. Thus, it is a vital amendment. It will not cost us a penny. It will make us money.

Concerning clam shells, all we said was that clam shells compete with limestone because they are composed fundamentally of the same chemical compounds. If clam shells compete with limestone then they will get the same tax treatment limestone gets, under the same circumstances.

Mr. PASTORE. I understand that limestone gets a 15-percent depletion allowance and the clam shells 5 percent; so, rather than take 5 percent we make it 15 percent. Why do we not take the 15 percent and bring it down to 5 percent?

Mr. LONG of Louisiana. If the Senator wants to offer an amendment on that, he can do so, of course. But, once again, the Senator did not state the law completely. I will tell the Senator what it is.

Mr. PASTORE. That is what the Senator said yesterday. I was in the Chamber when he said it.

Mr. LONG of Louisiana. Here is what the law is, in case any Senator does not understand the Senator's statement.

The ACTING PRESIDENT pro tempore. The Chair wishes to advise the Senator from Louisiana that he has 4 minutes remaining.

Mr. LONG of Louisiana. I thank the Chair.

In case Senators do not understand, the law says that if we take limestone and use it as gravel, it will get a 5-percent depletion allowance. The same thing is true of oyster shells. If we take limestone and make cement out of it, it will get a 15-percent depletion allowance.

Mr. PASTORE. That is right.

Mr. LONG of Louisiana. If we do the same thing with oyster shells, we do not get 15 percent. All the amendment provides is that we will treat them both alike.

This could reduce the cost of chicken feed because the shells can be ground up and made into chicken feed. It will help the chicken farmers of Delaware and elsewhere, because we will be able to produce chicken feed a little cheaper if we can grind up the oyster shells. It is a competitive industry.

Accordingly, Mr. President, when we really get down to it, we have considered all the thoughts of Senators, their amendments have been voted on, and they have had opportunities to strike everything in the bill.

I applaud this bill. It is a much better bill than was sent to us because it will do so much for the aged sick.

If Senators want to vote against 18 million old people, they can go ahead and do it. I am not going to do it.

Mr. GRIFFIN. Mr. President, I agree with much that has been said by the distinguished Senator from Ohio [Mr. LAUSCHE]. So many amendments have been tacked onto the original administration bill that the legislation comes close to being a pork-barrel tax bill, as charged.

I am voting "aye" with strong reservations because there are included in this legislation a number of meritorious provisions which should be enacted in this session.

It is my expectation, and I believe it is a reasonable expectation, that the Senate-House conference committee will see fit to delete some of the objectionable pork-barrel riders that have been tacked on.

In the event my expectation is not fulfilled, I wish to make it clear that I reserve the right to vote against this legislation when the report of the conference committee is presented for adoption.

Mr. MORTON. Mr. President, I ask unanimous consent that a statement by my colleague, Senator COOPER, be printed in the RECORD at this point.

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

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

STATEMENT BY SENATOR COOPER

I support H.R. 13103, the bill known as the Foreign Investors Tax Act, which includes a number of important amendments to the Internal Revenue Code.

I wish to call attention to the amendment which I supported yesterday offered by the Senator from Florida [Mr. SMATHERS], the Senator from Kentucky [Mr. MORTON], and the Senator from Kansas [Mr. CARLSON], and

I am happy to note that this amendment was adopted by the Senate.

That amendment incorporates the provisions of H.R. 10, as passed by the House on June 6th of this year and would provide substantial improvements to the Self-Employed Individuals' Tax Retirement Act of 1962.

I voted for that bill in 1962, but as a result of the restrictions and limitations placed in the bill upon the recommendation of the Treasury Department, the law has proved impractical and unsatisfactory.

A report by the Treasury Department with respect to the self-employed retirement deductions in the taxable year 1964 shows that only about one-half of one percent of the self-employed individuals took advantage of this deduction in that year.

The amendment corrects two inequities in existing law. First, it would permit a self-employed person to deduct the entire amount he contributes but not in excess of $2,500 for his own retirement benefit in the same manner that he may do for contributions on behalf of his own employees.

Second, the amendment removes the 30 percent limitation on "earned income" to be considered for retirement plan purposes. The present act restricts the amount of earned income which will be recognized for contribution purposes where capital as well as personal services is a material factor in the production of income. It is highly unrealistic to attribute only 30 percent of the net profits of a business to personal services and the present act is of a little help to small businessmen and farmers.

The new definition of "earned income" will continue to require that substantial personal services be devoted to the business if deductions are to be taken with respect to contributions for the self-employed benefit.

I believe this amendment will go a long way to remove the inequity that has existed as to the tax treatment accorded self-employed persons who desired to establish private retirement plans, and should benefit small businessmen, farmers, and professional people. It is my view that they are entitled to the same benefits in providing for their own retirement as has been extended to both corporation executives and employees for many years.

I was happy to be recorded for this amendment and I appreciate the courtesy of Senator SIMPSON who was opposed to this amendment and withheld his vote on the floor to pair his position with me.

I want to note also the very important provisions included for our citizens who are 65 and over in this bill. Payment for drugs prescribed for illness is authorized in connection with the supplemental medical insurance plan enacted by the Congress last year.

I supported and voted for the programs of hospital care in the Senate, and I know the importance of this benefit to our older citizens who are participating under this law. The benefit would become available July 1, 1968, under this provision of this Senate bill.

The provision which now limits medical deductions for all tax payers 65 and over to the excess of 3% of the adjusted gross income is changed by this Senate bill to no limitation. I am glad to support this change, as I know the heavy costs of medical care which face our citizens today. This reduction of the limitation would be available beginning this year.

The Senate Finance Committee has worked hard on this bill, and I am hopeful that the House will agree to the improvements made in this bill by the Senate. I am glad to support the bill.

Mr. SMATHERS. Mr. President, I would like to take this opportunity to congratulate and commend the very able and distinguished chairman of the Senate Finance Committee, Senator RUSSELL B. LONG, not only in the handling of the foreign investors tax bill before us, but of other bills as well.

He is a fair man; he is a just man. He is one who gives every individual his right to voice his views both pro and con.

There are amendments in the pending measure which are not necessarily to my liking. There are others that are. I was the one in the Finance Committee who proposed the total tax exemption for medical expenses for our senior citizens. Some opposed this amendment but most certainly I did not criticize them as being against our senior citizens for having done so.

The further liberalization of the Self-Employed Retirement Act amendment was one which was to my liking. I have supported this concept over the years. The chairman and others on the committee were opposed to it but the Senate saw fit to adopt what I feel now will provide equitable treatment for some 18 million self-employed and their employees.

Every Senator has a right to propose and oppose an amendment and certainly should not be criticized for doing so. This is the way our democractic process must work.

Senator LONG is a fair and able chairman of the Senate Finance Committee. All of us in the Senate can be justly proud of the manner in which he is conducting himself in the handling of highly technical and complex tax legislation.

In my opinion, he should be commended rather than criticized.

Mr. LONG of Louisiana. Mr. President, I yield back the remainder of my time.

Mr. WILLIAMS of Delaware. Mr. President, I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. All time has been yielded back.

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 assistant legislative clerk proceeded to call the roll.

Mr. HOLLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. HARRIS in the chair). The Senator will state it.

Mr. HOLLAND. What is it we are voting on?

The PRESIDING OFFICER. Final passage.

Mr. HOLLAND. I thank the Chair.

The assistant legislative clerk resumed the call of the roll.

Mr. LONG of Louisiana. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Indiana [Mr. BAYH], the Senator from Nevada [Mr. CANNON], the Senator from Idaho [Mr. CHURCH], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. GORE], the Senator from Michigan [Mr. HART], the Senator from Arizona [Mr. HAYDEN], the Senator from New Hampshire [Mr. MCINTYRE], the Senator from Montana [Mr. METCALF], and the Senator from Utah [Mr. Moss] are necessarily absent.

I further announce that, if present and voting, the Senator from Indiana [Mr. BAYH], the Senator from Idaho [Mr. CHURCH], and the Senator from Mississippi [Mr. EASTLAND] would each vote "yea."

On this vote, the Senator from Tennessee [Mr. GORE] is paired with the Senator from Utah [Mr. Moss].

If present and voting, the Senator from Tennessee would vote "nay" and the Senator from Utah would vote "yea."

On this vote, the Senator from Nevada [Mr. CANNON] is paired with the Senator from Michigan [Mr. HART].

If present and voting, the Senator from Nevada would vote "yea" and the Senator from Michigan would vote "nay."

Mr. KUCHEL. I announce that the Senators from Colorado [Mr. ALLOTT and Mr. DOMINICK], the Senator from New Jersey [Mr. CASE], the Senator from Kentucky [Mr. COOPER], the Senator from Nebraska [Mr. CURTIS], the Senators from Iowa [Mr. HICKENLOOPER and Mr. MILLER], the Senator from Idaho [Mr. JORDAN], the Senator from Kansas [Mr. PEARSON], the Senator from Vermont [Mr. PROUTY], the Senator from Pennsylvania [Mr. SCOTT], and the Senator from Texas [Mr. TOWER] are necessarily absent.

If present and voting, the Senator from Colorado [Mr. DOMINICK], the Senator from Kentucky [Mr. COOPER], the Senator from Kansas [Mr. PEARSON], and the Senator from Texas [Mr. TOWER] would each vote "yea."

On this vote, the Senator from Iowa [Mr. MILLER] is paired with the Senator from Pennsylvania [Mr. SCOTT]. If present and voting, the Senator from Iowa would vote "yea" and the Senator from Pennsylvania would vote "nay."

On this vote, the Senator from Nebraska [Mr. CURTIS] is paired with the Senator from Idaho [Mr. JORDAN]. If present and voting, the Senator from Nebraska would vote "yea" and the Senator from Idaho would vote "nay."

The result was announced—yeas 58, nays 18, as follows:

[No. 302 Leg.]

YEAS—58

Bass	Hill	Mundt
Bennett	Holland	Murphy
Bible	Inouye	Nelson
Boggs	Jackson	Neuberger
Brewster	Javits	Proxmire
Burdick	Jordan, N.C.	Randolph
Byrd, Va.	Kennedy, Mass.	Ribicoff
Byrd, W. Va.	Kennedy, N.Y.	Robertson
Carlson	Kuchel	Russell, S.C.
Clark	Long, Mo.	Smathers
Cotton	Long, La.	Sparkman
Dodd	Magnuson	Stennis
Ellender	McCarthy	Talmadge
Ervin	McClellan	Thurmond
Fong	McGee	Tydings
Fulbright	McGovern	Williams, N.J.
Griffin	Mondale	Yarborough
Gruening	Monroney	Young, N. Dak.
Harris	Montoya	
Hartke	Morton	

NAYS—18

Aiken	Mansfield	Saltonstall
Bartlett	Morse	Simpson
Dirksen	Muskie	Smith
Fannin	Pastore	Symington
Hruska	Pell	Williams, Del.
Lausche	Russell, Ga.	Young, Ohio

NOT VOTING—24

Allott	Bayh	Case
Anderson	Cannon	Church

Cooper	Hart	Miller
Curtis	Hayden	Moss
Dominick	Hickenlooper	Pearson
Douglas	Jordan, Idaho	Prouty
Eastland	McIntyre	Scott
Gore	Metcalf	Tower

So the bill (H.R. 13103) was passed.

The title was amended, so as to read: "An Act to provide equitable tax treatment for foreign investment in the United States, to establish a presidential election campaign fund to assist in financing the costs of presidential election campaigns, and for other purposes."

Mr. LONG of Louisiana. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. TALMADGE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LONG of Louisiana. Mr. President, I move that the Senate insist on its amendments to H.R. 13103 and request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Senators LONG of Louisiana, SMATHERS, ANDERSON, MCCARTHY, CARLSON, and BENNETT conferees on the part of the Senate.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that in the enrolling of H.R. 13103, the clerk be authorized to make necessary technical, clerical, and clarifying amendments.

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

Mr. MANSFIELD. Mr. President, I ask unanimous consent that H.R. 13103, the foreign investors tax bill, be printed as amended and passed by the Senate.

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

Mr. MANSFIELD. Mr. President, the junior Senator from Louisiana [Mr. LONG] has demonstrated once more his unsurpassed grasp of our Nation's complex fiscal programs. His handling of this broad measure which includes the adjustment of taxes on foreign investors was characterized by the careful diligence and broad expertise the distinguished chairman of the Committee on Finance brings to all legislative proposals he supports.

Joined by the able senior Senator from Minnesota [Mr. MCCARTHY], who himself leads this body with outstanding competence, Senator LONG's capable advocacy was largely responsible for its success. Though not all Senators could agree with all of the provisions of this proposal—and that is often the case—its decisive acceptance speaks abundantly for the ability and persuasive talents of Senator LONG.

Commendation also goes to those many Senators who supported the proposal with strong and clear arguments and also to those who offered their own convincing views. We therefore thank the distinguished senior Senator from Delaware [Mr. WILLIAMS], the ranking minority member of the committee, the senior Senator from Indiana [Mr. HARTKE], the senior Senator from New Hampshire [Mr. COTTON], and the senior Senator from Missouri [Mr. SYMINGTON]. Similarly commended are the senior Senator from Kansas [Mr. CARLSON], the senior Senator from Texas [Mr. YARBOROUGH], the senior Senator from Vermont [Mr. AIKEN], and the senior Senator from Tennessee [Mr. GORE].

Finally, I wish to extend my appreciation again to this entire body for joining to dispose of another proposal in the orderly and efficient manner which will help so much in enabling us to reach an adjournment sine die.

MEDICARE

Mr. WILLIAMS of Delaware. Mr. President, if I may have the attention of the assistant majority leader, who is chairman of the Committee on Finance, I understand that the House of Representatives has passed, or will pass today or tomorrow, a bill dealing with the provisions of title XIX of the Medicare Act. The question is being asked, Will the Senate Finance Committee be considering that measure during this session of Congress, and if so, when?

The reason I put the question to the Senator from Louisiana is that the Senators on this side of the aisle wish to know so that they can make their plans accordingly.

Mr. LONG of Louisiana. Mr. President, as I told the Senator in a personal conversation, I shall be happy to abide by the wishes of the members of the committee. We had hoped we were through, but I always try to avoid putting myself into a trap. I believe it would be well to consider the bill if we can. I would hope that perhaps we can consider the bill. That would have to depend upon what the Senate wishes to do.

Mr. WILLIAMS of Delaware. It is not up to the Senate. It is up to the chairman of the committee. Does the chairman of the committee intend to consider it as agenda business before Congress adjourns? If he does the Senators on our side will make our plans to be there. Surely the decision can be made as to whether or not it will be considered during this session of Congress.

Mr. LONG of Louisiana. If the Senate is in session next week, I would suggest that we do consider that measure. But if the Senate is to adjourn and conclude its legislative business by Friday night or Saturday night of this week, I am sure we would not get to it.

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

Mr. LONG of Louisiana. I yield.

Mr. JAVITS. Mr. President, I wish to advise the Senate that I have asked for a hearing on that matter on behalf of the Governor of my State. My State is directly affected, and Governor Rockefeller has asked for a hearing. I hope we will get one.

Mr. LONG of Louisiana. I am aware of that, and I am acquainted with Governor Rockefeller. He is a very fine man. I am also aware that the bill under consideration by the House of Representatives may create a problem for his State. We will be glad to hear from him.

Mr. WILLIAMS of Delaware. This creates problems in many areas. Under the medicare program as passed, the administration has promised many benefits to elderly people. If the measure now under consideration by the House of Representatives is adopted it will mean that a lot of benefits which those elderly people have been promised will be taken away from them. We must give all parties concerned a chance to be heard so that they will know what benefits, that have heretofore been promised, are to be taken away from them. After all, if we are going to make a change of a billion or two billion dollars in the program there will be a sizable change in the benefits.

I am perfectly willing, and the Senators on our side are perfectly willing, to arrange our plans to be here. We are merely asking the Senator whether his committee plans to consider the matter. Personally I think this proposal should be considered before we adjourn. I understand he is now saying it is his plan to bring that up next week.

Mr. LONG of Louisiana. If we are in session.

Mr. WILLIAMS of Delaware. I do not think there is any question about that.

Mr. LONG of Louisiana. We are trying to adjourn soon.

Mr. WILLIAMS of Delaware. Adjourn this week?

Mr. LONG of Louisiana. I would like to adjourn today.

Mr. WILLIAMS of Delaware. I will join the Senator in a motion to adjourn right now. The taxpayers would have been ahead had the Senate adjourned 2 months ago.

Mr. LONG of Louisiana. If we can finish with what we regard as the must legislation—the appropriation bills and the revenue bills—then, as far as I am concerned, I would be ready to vote for adjournment. I cannot do it right now.

Mr. WILLIAMS of Delaware. It is ridiculous to talk about adjournment this week, because there will still be conference committees meeting on both revenue bills and appropriation bills.

Mr. LONG of Louisiana. I think the Senator from Delaware knows I have never denied him a hearing. I have never denied a hearing to the Senator from New York [Mr. JAVITS]. The problem facing us, however, is one of time. So the Senator may be assured his rights will be fully protected.

Mr. WILLIAMS of Delaware. I am just trying to find out, so that Senators can make their plans accordingly, whether or not this will be on the agenda of the committee for hearing before we adjourn.

In the light of the information which we have just received the minority members of the committee will start rearranging their schedules in an effort to be here next week.

Mr. LONG of Louisiana. If the Senate is in session for another week, it is my thought that we ought to consider the bill. The House has worked diligently on it. They have given us their best judgment, and if we are in session for another week, we ought to consider it.

Mr. PASTORE. Mr. President, what bill are we talking about?

Mr. LONG of Louisiana. We are talking about what is called the medicaid bill. That was a part of the Social Security Amendments of 1965. The bill is generally referred to as the medicare bill, but that bill, in addition to providing medical care, expanded on the old Kerr-Mills program, and it was estimated at that time—and many of us predicted that that estimate would turn out to be wrong—that the cost of the medicaid part of it, the old Kerr-Mills part of the bill, would cost about $240 million more annually than the existing welfare health programs.

The Department of Health, Education, and Welfare failed to recognize that title XIX also provided an incentive and opportunity for States to take advantage of it, and that when they did, it would cost much more than the HEW estimate. I believe the present cost of the new program is running several hundred million dollars a year more than originally estimated, and it is skyrocketing. If we do not do something about it, if we do not tighten up the program, its cost could be fantastic. It could cost as much as $3 billion a year.

The State of New York, for example, has taken much greater advantage of this provision than anyone anticipated. That is one reason that the Governor of New York would like to testify, for continuation of the assistance that his State is getting to provide medical care at the State level for people on welfare and those classified by the State as "medically indigent."

Mr. PASTORE. Would we have to increase the authorization to do that?

Mr. LONG of Louisiana. No, we would not have to increase the authorization, but it has been suggested by the Senator from Kansas [Mr. CARLSON] and others that this program could cost many billions of dollars. It is a completely open-ended authorization now.

Mr. PASTORE. Is it an authorization problem or an appropriation problem?

Mr. LONG of Louisiana. Well, it is an authorization problem in the sense that we authorized an open-ended program and the cost of it is proving to be absolutely beyond anything contemplated by the Congress. So the House of Representatives is sending us a bill to trim down the legislation by means of tightening up the requirements for eligibility for Federal matching funds.

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

Mr. LONG of Louisiana. I yield.

Mr. SALTONSTALL. I would say to the Senator from Rhode Island—and I put this in the form of a question to the chairman of the Finance Committee—as I understand it, this medicaid really was an amendment of the Kerr-Mills Act of previous years, and went through on that basis. I, for one, had no realization as to how far the bill went. Massachusetts has passed a law, New York has passed a law, and I believe 13 other States have passed laws to take advantage of its provisions. We are told that if the New York law carries through, by 1970 some 47 percent of the population of the State of New York will be under the provisions of that law; and, as the Senator from Louisiana has stated, the ultimate cost may run to a number of billions of dollars of Federal grants.

It is my understanding that the House is attempting to cut down by putting more limits on the Federal grants than were originally intended.

I, for one, commend the Senator from Louisiana.

I believe this measure should be acted upon or, at least, something should be done about it to make the States aware that we cannot have Federal grants to the extent that the bill now authorizes. Is that not correct?

Mr. LONG of Louisiana. I have read a speech of the Senator's on the subject. It was a very carefully considered statement.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that the Senator from Kansas be recognized for 5 minutes.

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

Mr. CARLSON. Mr. President, I think the Senate ought to be advised that the section having to do with medicare is something that we will hear a great deal about. We will hear about it when we get home.

Most States, if they have not already done so, will qualify under these provisions. It is very liberal and open ended. It can be limitless with regard to Federal expenditures.

We should take action on this as the distinguished chairman has stated. We were advised in the Finance Committee that it would cost an additional $200 million or a little more. It will be limitless.

I hope the distinguished chairman will give us an opportunity to have some hearings on the matter in the Finance Committee before coming on the floor of the Senate and trying to take action.

This is an important piece of legislation because some States have already qualified. The State of Kansas has qualified. We are taking advantage of this.

This measure will create some problems in the States. I hope that we have hearings before we act on this matter on the Senate floor.

Mr. JAVITS. Mr. President, this bill contains two provisions which are of special interest to our older citizens. Both were the subject of discussion during consideration of the Social Security Amendments Act of 1965—the medicare law.

The first provision is designed to retain the special medical expense deduction which was available to older citizens before passage of the medicare act. Prior to that, persons over 65 could deduct all medical expenses without regard to the 3-percent floor. Last year's law mandated an end to that special treatment, beginning in 1967, and placed older citizens in the same category as other taxpayers. Today, we forestall that change and retain, for the American over 65, this important deduction.

The second provision is of particular interest to me, since I originally proposed it as an amendment to the Social Security Act of 1965. This provision provides for the coverage—under medicare—of the cost of out of hospital prescription drugs. While drugs administered in the hospital were covered under part A of medicare, no provision was made, in last year's law, for reimbursement for the cost of drugs needed by the out-patient older citizen. As the committee report shows, these drugs represent a significant portion—perhaps 25 percent—of the health costs of older citizens.

In 1963, the National Committee on Health Care for the Aged—a group of health and insurance experts which I helped to organize—proposed a program to cover out-of-hospital health care which was the forerunner of the present part B. This proposal, which I introduced as a bill that year, covered prescription drugs administered outside a hospital.

Last year, I offered this coverage as an amendment to the medicare bill and testified before the Finance Committee urging its inclusion. It was opposed, at that time by the Department of Health, Education, and Welfare, which asked for time to study the operation of the new law before recommending expansion of coverage.

I am most pleased that the Senate is acting on this proposal today, and ask unanimous consent that my testimony before the Finance Committee on this subject be printed at this point in the RECORD, together with certain excerpts from the CONGRESSIONAL RECORD of July 6, 1965, dealing with the matter.

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

SUPPLEMENTARY INSURANCE UNDER MEDICARE SHOULD INCLUDE OUT-OF-HOSPITAL DRUG COSTS

Mr. Chairman, these hearings constitute a significant—perhaps even an historic—milestone in the provision of health care in the United States, and I am very pleased to have the opportunity to testify. Since 1960, I have been working to establish a system of health care for the aged using the resources of the private sector. In 1963 I was instrumental in the formation of the National Committee on Health Care of the Aged, which was organized to develop a health care plan which would draw on private industry and provide the most comprehensive care for our older citizens. The Committee, composed of distinguished doctors, representatives of the insurance industry and two former Secretaries of Health, Education and Welfare, issued a report in November 1963, which President Kennedy described as, "extremely helpful in our effort to obtain action in the Congress on this vital matter."

The main feature of this report was a plan for supplementary insurance covering those surgical and medical bills which were not included in the original hospitalization-through-social security financing plan. (King-Anderson) I believe this report served to call public attention to the inadequacies of the Administration proposal, which at that time covered only hospital and limited home health services—an estimated 30% of health care services required by the aged—but made no provision for insurance against medical bills. The Committee proposed that this latter feature be added in the form of a voluntary, supplementary insurance policy offered by existing carriers which would be

contributory in form, would be offered on a non-profit basis to every American over 65 and could be obtained for an estimated $2 per person per week. The Senate bill was passed on September 2, 1964, by a vote of 49 to 44, but the House of Representatives failed to act on it.

This year, essentially the same proposal—excepting the sources of payment of the supplementary insurance premium—was made part of the bill which was reported by the House Ways and Means Committee, and which you have before you today. I support this bill, in substance, and particularly urge your favorable consideration of the supplementary feature which makes comprehensive health coverage possible for those over 65. There are, however, at least three areas in which I believe the bill needs to be amended, and I would like, briefly to bring them to the attention of the Committee and I submit the text of the amendments for this purpose, where not yet filed.

1. The bill makes no provision for prescription drugs which are administered outside the hospital.

The proposal which was formulated by the National Committee on Health Care of the Aged contemplated a policy which would cover not only medical and surgical bills, but also certain other health care expenses incurred with increasing frequency by older people. The cost of drugs was foremost among these. It has been estimated that 25% of the per capita health expenditures of aged persons is for drugs. On the average, they spend more than twice as much for medicines as does the entire population. Nineteen states, including my own state of New York, include the cost of drugs as a covered expense in their Kerr-Mills programs.

The actuary's office in the Social Security Administration has informed me that adding coverage for prescription drugs would increase the cost of the supplementary policy in the pending bill by approximately $1.50 a month—half to be paid by the beneficiary and the other half contributed by the government. This appears to me to be a modest price for insurance against what is often a most burdensome expense, particularly in light of the fact that the cost to the subscriber will be more than covered by the contemplated 7 percent social security benefit increase which will provide a minimum benefit increase of $4 a month. The supplementary policy, as contained in the House bill will now cost the beneficiary $3 a month, and the addition of another 75 cents for drug insurance will still be covered by even the minimum increase. I believe most older Americans would welcome the chance to purchase such coverage. With adequate control by the Secretary to preclude cost increases, this program could not only provide important coverage, but in some instances where drug costs are a significant factor in treatment, it would, I am sure, make the difference between home treatment and expensive hospitalization.

2. The problem of covering the services of radiologists, anesthesiologists and pathologists has already been covered by the Senator from Illinois, Mr. DOUGLAS, and I join him in urging that these services be returned to the hospitalization part of the bill, where traditionally they have always been included. I salute Senator DOUGLAS' leadership in this effort and offer my own strong support for his amendment in which I have joined. I am sustained in this position by leading welfare and hospital authorities, public and private in New York.

3. Title 19 of the bill, which relates to improvements in the Kerr-Mills program sets a deadline of July 1, 1970, after which all non-Federal money used for medical assistance to the indigent must come from State sources. In New York, as in a number of other States which have enacted this legislation, the non-Federal share has been divided between the State and local welfare boards. This is a pattern which is common to many Federal matching programs, and I believe it is an equitable formula. At the very least, each State should be allowed to determine how its non-Federal share is raised—whether entirely from the State Treasury, entirely from local sources, or, as in New York, from contributions of both.

The pending bill makes an unprecedented—and I believe unwarranted incursion into State responsibility to determine financing of State programs, and I believe an amendment to eliminate this section would be wise.

[From the CONGRESSIONAL RECORD, July 6, 1965]

Mr. JAVITS. Mr. President, I wish to ask the Senator another question, with relation to prescribed drugs. Was that subject considered by the committee? The Senator is familiar with my amendment.

Mr. LONG of Louisiana. Yes; it was.

Mr. JAVITS. Could the Senator give us the rationale for the committee's action?

Mr. LONG of Louisiana. It was felt by the committee and also by the Department of Health, Education, and Welfare that drugs so far as they were the type of drugs that the Department felt would be appropriate and of therapeutic value for use by the patient should be provided to persons who are in hospitals and also to persons who are in nursing homes. However, it would cost a great amount of money. In many instances, it would be subject to debate as to whether the Government should pay for drugs which, while not harmful to the people, might not necessarily be of benefit or of any therapeutic value.

Aged people take many drugs which so far as we know, have no detrimental effect on them. However, we do not know that they do them any good. Some of the drugs are of psychological value to the aged people. I am thinking of the pink pills that we hear about which doctors give to people. When the people take these pink pills, they feel a lot better. However, all that the person is taking is a little sugar inside of the pill.

Many drugs are taken habitually by people. It is part of the general cost of living. This amendment would greatly increase the cost of the measure if it were included in the bill.

Mr. JAVITS. Mr. President, my amendment relates only to prescription drugs. These are subject to control by regulation of the Department. It would only affect the voluntary health care part of the bill. It would increase the amount contributed by the Federal Government and by the individual in the amount of 75 cents a month, each. However, it would also represent actuarial savings for the individual.

The committee may have had good reason for its action. I am merely relating the facts to the Senator. It would represent an actuarial saving for the individual of 25 percent of his health cost. Unfortunately—and, here, I know that I enlist the sympathy of the Senator, though he may not be in agreement with me on the amendment—we are dealing with a very high item of expense for the older people—prescription drugs.

A most beneficent effect may result from including prescription drugs in the bill and the supplementary coverage by virtue of the fact that it would have a tendency to hold down the cost, if nothing else, of cortisone and other drugs which are rather high priced items. This constitutes one of the real problems involved in medical care for the aged. We have been faced with the problem since 1949. As a mater of fact, the Senator from Kentucky [Mr. MORTON], who is in the Chamber at present, was interested in the first bill which was introduced in the House of Representatives in 1949 dealing with this subject.

With regard to the relationship between the amount of cost to the Government and the tremendous part of the health care cost for the aged which could be covered, the merits of the amendment are apparent. I wonder why the committee felt that they could not go along with this amendment.

Mr. LONG of Louisiana. I feel sure that we shall do something about drugs at some later time, if we fail to do it in this bill. However, it is difficult to keep an accurate account or record of what medication people get in the drugstores on a week-to-week or month-to-month basis.

We would also have the problem that many drugs are common use drugs. The aged people could get the common use drugs under their health insurance and pass them on to other members of their family. For various and sundry reasons, and many of them relate to the cost of the program, it was felt that we should not include drugs outside the hospital at this time.

One reason that the drugs cost so much—and many of them cost 40 times what they ought to cost—is because of private patents on Government research. Drug firms get patents on drugs discovered under taxpayer-supported research. The Senator from Louisiana tried to do something about that a few days ago. I did not get much help from the Republican side of the aisle. However, I still hope that I shall be able to prevail at a later date and that we shall have drugs made available at a much lower cost. Many drugs are being sold at 40 times what they ought to sell for. Perhaps someday we can do something to make the drugs more competitive.

Mr. JAVITS. The Senator as been trying to have something done with regard to private patents on Government research, and I give him credit for his efforts. It is a very problematical thing as to what percentage of the drugs that would cover. However, I am confident that before we go home from this session, the Senator will have won his major point, which is that we should do something effective about this matter.

Mr. LONG of Louisiana. If we can do it in the field of health research, I shall be very satisfied. I just hope that we do not lose ground while we are trying to legislate in the area.

Mr. JAVITS. Mr. President, I am grateful that the Senator disclosed his position so frankly. It will help me in arguing the amendments dealing with factors which may influence the committee judgment

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PROMOTION OF SAVINGS UNDER INTERNAL REVENUE SERVICE'S AUTOMATIC DATA PROCESSING SYSTEM

The ACTING PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 6958) to amend the Internal Revenue Code of 1954 to promote savings under the Internal Revenue Service's automatic data processing system and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. LONG of Louisiana. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Mr. LONG of Louisiana, Mr. SMATHERS,

Mr. ANDERSON, Mr. CARLSON, and Mr. BENNETT conferees on the part of the Senate.

TARIFF TREATMENT OF ARTICLES ASSEMBLED ABROAD OF PRODUCTS OF THE UNITED STATES

The ACTING PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 11216) relating to the tariff treatment of articles assembled abroad of products of the United States and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. LONG of Louisiana. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Mr. LONG of Louisiana, Mr. SMATHERS, Mr. ANDERSON, Mr. CARLSON, and Mr. BENNETT conferees on the part of the Senate.

ADJUSTMENT OF STATUS OF CERTAIN CUBAN REFUGEES

The ACTING PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 15183) to adjust the status of Cuban refugees to that of lawful permanent residents of the United States, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. KENNEDY of Massachusetts. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Mr. MCCLELLAN, Mr. ERVIN, Mr. KENNEDY of Massachusetts, Mr. DIRKSEN, and Mr. FONG conferees on the part of the Senate.

EXECUTIVE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Senate proceeded to consider executive business.

INTERNATIONAL CONVENTION ON LOAD LINES, 1966

The PRESIDING OFFICER (Mr. HARRIS in the chair). Under the previous unanimous-consent agreement the Senate will now proceed to vote on the resolution of ratification of the International Convention on Load Lines, 1966.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LONG of Louisiana. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Indiana [Mr. BAYH], the Senator from Nevada [Mr. CANNON], the Senator from Idaho [Mr. CHURCH], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. GORE], the Senator from Arizona [Mr. HAYDEN], the Senator from New Hampshire [Mr. MCINTYRE], the Senator from Montana [Mr. METCALF], and the Senator from Utah [Mr. MOSS] are necessarily absent.

I further announce that, if present and voting, the Senator from Indiana [Mr. BAYH], the Senator from Nevada [Mr. CANNON], the Senator from Idaho [Mr. CHURCH], the Senator from Tennessee [Mr. GORE], the Senator from Utah [Mr. MOSS], and the Senator from Mississippi [Mr. EASTLAND] would each vote "yea."

Mr. KUCHEL. I announce that the Senators from Colorado [Mr. ALLOTT and Mr. DOMINICK], the Senator from New Jersey [Mr. CASE], the Senator from Kentucky [Mr. COOPER], the Senator from Nebraska [Mr. CURTIS], the Senators from Iowa [Mr. HICKENLOOPER and Mr. MILLER], the Senator from Idaho [Mr. JORDAN], the Senator from Kansas [Mr. PEARSON], the Senator from Vermont [Mr. PROUTY], the Senator from Pennsylvania [Mr. SCOTT], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Illinois [Mr. DIRKSEN] is detained on official business.

If present and voting, the Senators from Colorado [Mr. ALLOTT and Mr. DOMINICK], the Senator from New Jersey [Mr. CASE], the Senator from Kentucky [Mr. COOPER], the Senator from Nebraska [Mr. CURTIS], the Senator from Illinois [Mr. DIRKSEN], the Senators from Iowa [Mr. HICKENLOOPER and Mr. MILLER], the Senator from Idaho [Mr. JORDAN], the Senator from Kansas [Mr. PEARSON], the Senator from Pennsylvania [Mr. SCOTT], and the Senator from Texas [Mr. TOWER] would each vote "yea."

The yeas and nays resulted—yeas 76, nays 0, as follows:

[No. 303 Ex.]

YEAS—76

Aiken	Hruska	Neuberger
Bartlett	Inouye	Pastore
Bass	Jackson	Pell
Bennett	Javits	Proxmire
Bible	Jordan, N.C.	Randolph
Boggs	Kennedy, Mass.	Ribicoff
Brewster	Kennedy, N.Y.	Robertson
Burdick	Kuchel	Russell, S.C.
Byrd, Va.	Lausche	Russell, Ga.
Byrd, W. Va.	Long, Mo.	Saltonstall
Carlson	Long, La.	Simpson
Clark	Magnuson	Smathers
Cotton	Mansfield	Smith
Dodd	McCarthy	Sparkman
Ellender	McClellan	Stennis
Ervin	McGee	Symington
Fannin	McGovern	Talmadge
Fong	Mondale	Thurmond
Fulbright	Monroney	Tydings
Griffin	Montoya	Williams, N.J.
Gruening	Morse	Williams, Del.
Harris	Morton	Yarborough
Hart	Mundt	Young, N. Dak.
Hartke	Murphy	Young, Ohio
Hill	Muskie	
Holland	Nelson	

NAYS—0

NOT VOTING—24

Allott	Case	Dirksen
Anderson	Church	Dominick
Bayh	Cooper	Douglas
Cannon	Curtis	Eastland
Gore	McIntyre	Pearson
Hayden	Metcalf	Prouty
Hickenlooper	Miller	Scott
Jordan, Idaho	Moss	Tower

The PRESIDING OFFICER. Two-thirds of the Senators present having voted in the affirmative, the resolution of ratification is agreed to.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER laid before the Senate a message from the President of the United States submitting the nomination of Robert T. Murphy, of Rhode Island, to be a member of the Civil Aeronautics Board, which was referred to the Committee on Commerce.

EXECUTIVE REPORTS OF COMMITTEE ON COMMERCE

By Mr. MAGNUSON, from the Committee on Commerce:

Mary Bardiner Jones, of New York, to be a Federal Trade Commissioner;

Werner A. Baum, of New York, to be Deputy Administrator, Environmental Science Services Administration; and

William Haddon, Jr., of New York, to be Traffic Safety Administrator.

Mr. MAGNUSON. Mr. President, also from the Committee on Commerce, I report favorably sundry nominations in the Coast Guard. Since these names have previously appeared in the CONGRESSIONAL RECORD, in order to save the expense of printing them on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

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

The nominations, ordered to lie on the desk, are as follows:

Dwight W. Shores, and sundry other officers, for promotion in the Coast Guard.

LEGISLATIVE SESSION

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

MESSAGE FROM THE PRESIDENT

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

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HILL, from the Committee on Labor and Public Welfare, with amendments:

H.R. 13196. An act to amend the Public Health Service Act to increase the opportunities for training of medical technologists and personnel in other allied health professions, to improve the educational quality of the schools training such allied health professions personnel, and to strengthen and improve the existing student loan programs for medical, osteopathic, dental, podiatry,

pharmacy, optometric, and nursing students, and for other purposes (Rept. No. 1722).

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

H.R. 11257. An act relating to the income tax treatment of certain distributions pursuant to the Bank Holding Company Act of 1956, as amended (Rept. No. 1723).

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

H.R. 17607. An act to suspend the investment credit and the allowance of accelerated depreciation in the case of certain real property (Rept. No. 1724).

By Mr. MAGNUSON, from the Committee on Commerce, with amendments:

S. 2916. A bill to provide for a weather modification program to be carried out by the Secretary of Commerce (Rept. No. 1725).

By Mr. McCLELLAN, from the Committee on Appropriations, with amendments:

H.R. 18119. An act making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1967, and for other purposes (Rept. No. 1726).

AMENDMENT OF RAILROAD RETIREMENT ACT OF 1937 AND RAILROAD RETIREMENT TAX ACT—REPORT OF A COMMITTEE—INDIVIDUAL VIEWS (S. REPT. NO. 1718)

Mr. PELL. Mr. President, from the Committee on Labor and Public Welfare, I report favorably, without amendment, the bill (H.R. 17285) to amend the Railroad Retirement Act of 1937 and the Railroad Retirement Tax Act, and for other purposes, and I submit a report thereon. I ask unanimous consent that the report may be printed, together with the individual views of the Senator from New York [Mr. JAVITS].

The PRESIDING OFFICER. The report will be received and the bill will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from Rhode Island.

AMENDMENT OF RAILROAD RETIREMENT, RAILROAD UNEMPLOYMENT INSURANCE, AND RAILROAD RETIREMENT TAX ACTS—REPORT OF A COMMITTEE—INDIVIDUAL VIEWS (S. REPT. NO. 1719)

Mr. PELL. Mr. President, from the Committee on Labor and Public Welfare, I report favorably, without amendment, the bill (H.R. 14355) to amend the Railroad Retirement Act of 1937, the Railroad Unemployment Insurance Act, and the Railroad Retirement Tax Act to make certain technical changes, to provide for survivor benefits to children ages 18 to 21, inclusive, and for other purposes, and I submit a report thereon. I ask unanimous consent that the report be printed, together with the individual views of Senators DOMINICK and JAVITS.

The PRESIDING OFFICER. The report will be received and the bill will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from Rhode Island.

AUTHORIZATION OF CONSTRUCTION, REPAIR, AND PRESERVATION OF CERTAIN PUBLIC WORKS ON RIVERS AND HARBORS—REPORT OF A COMMITTEE (S. REPT. NO. 1720)

Mr. RANDOLPH, from the Committee on Public Works, reported an original bill (S. 3906) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, and submitted a report thereon, which bill was read twice by its title, and placed on the calendar, and the report ordered to be printed.

REPORT ENTITLED "TAX CONSEQUENCES OF CONTRIBUTIONS TO NEEDY OLDER RELATIVES"—REPORT OF A COMMITTEE (S. REPT. NO. 1721)

Mr. SMATHERS. Mr. President, I am today filing in behalf of the Senate Special Committee on Aging a report entitled, "Tax Consequences of Contributions to Needy Older Relatives." This report is the end product of a study conducted by our committee during the past few months, and a hearing on this subject which we held on June 15, 1966.

Congress has just received a message from the President recommending an increase in social security benefits. However, even if we enact the recommended increases, it is clear that there will still be many senior citizens whose incomes will be inadequate without supplementation to enable them to live in dignity and decency. One of the important ways in which their incomes have been supplemented in the past and in which their incomes will continue to be supplemented, whether or not the recommended social security increases are enacted, is by means of contributions from younger relatives.

The Special Committee on Aging undertook this study to determine whether Federal tax laws are fair to taxpayers who voluntarily contribute to the support of needy older relatives. In the report which I am submitting, our committee states a conclusion that the answer to that question must be in the negative. We found several ways in which Federal tax laws at present discriminate against and penalize taxpayers who contribute to needy elderly relatives. We have made some recommendations for eliminating these discriminations and encouraging and rewarding those who heed the Biblical injunction:

Honor thy father and mother.

It is too late in this session to entertain any realistic hope that our recommendations will be implemented before adjournment, but we hope that these needed tax changes will be made during 1967.

I ask that the report be printed, together with the minority views of Senators DIRKSEN, CARLSON, PROUTY, FONG, ALLOTT, MILLER, and PEARSON.

The PRESIDING OFFICER. The report will be received and printed, as requested by the Senator from Florida.

BILLS INTRODUCED

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

By Mr. PROXMIRE:

S. 3904. A bill for the relief of Pak Kyung Ai; to the Committee on the Judiciary.

By Mr. MONDALE (for himself, Mr. INOUYE, Mr. McGEE, and Mr. NELSON):

S. 3905. A bill to establish a comprehensive program designed to assist the developing countries in efforts to reduce the drain from such countries of professional persons and skilled specialists in cases where their abilities and skills are urgently needed in their homelands; to the Committee on Foreign Relations.

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

By Mr. RANDOLPH:

S. 3906. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes; placed on the calendar.

(See reference to the above bill when he reported the above bill, which appears under the heading "Reports of Committees".)

By Mr. PELL:

S. 3907. A bill to promote the foreign policy of the United States by strengthening and improving the Foreign Service personnel system of the U.S. Information Agency through establishment of a Foreign Service Information Officer Corps; to the Committee on Foreign Relations.

S. 3908. A bill to declare certain portions of Newport Harbor, Rhode Island, to be nonnavigable waters of the United States; to the Committee on Public Works.

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

By Mr. CLARK:

S. 3909. A bill for the relief of Kwok Ching Yee (also known as Ip Kwok Ching); to the Committee on the Judiciary.

By Mr. HARRIS (for himself, Mr. McGOVERN, Mr. NELSON, and Mr. GRUENING):

S. 3910. A bill to provide for a White House Conference on Indian Affairs; to the Committee on Interior and Insular Affairs.

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

CONCURRENT RESOLUTIONS

CORRECTION OF ERROR IN ENROLLMENT OF H.R. 698

Mr. MANSFIELD (for Mr. JACKSON) submitted a concurrent resolution (S. Con. Res. 113) to correct an error in the enrollment of H.R. 698, which was considered and agreed to.

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

NATIONAL AMERICAN INDIAN AND ALASKA NATIVES POLICY

Mr. McGOVERN submitted a concurrent resolution (S. Con. Res. 114), National American Indian and Alaska Natives Policy Resolution, which was referred to the Committee on Interior and Insular Affairs.

(See the above concurrent resolution printed in full when submitted by Mr.

McGOVERN, which appears under a separate heading.)

PROGRAM DESIGNED TO ASSIST DEVELOPING COUNTRIES RELATING TO PROFESSIONAL PERSONS AND SKILLED SPECIALISTS

Mr. MONDALE. Mr. President, I introduce, for myself and Senators INOUYE, McGEE, and NELSON, a bill to assist developing countries in meeting one of the great and neglected problems of our time, the brain drain which robs them of the professional and skilled manpower they need to bring hope to their peoples.

On August 31, I addressed the Senate at length on this subject. I pointed to the contradiction between our national commitment to combat the gap between rich and poor countries, and our draining of thousands of the best-trained people from the same poor countries to meet our growing needs for high-level manpower. I said that the brain drain has become a threat to their national progress, and ultimately to the peace of the world.

Since I delivered that speech, further evidence has come to light on the magnitude of the brain drain, and the threat which it poses to progress in underdeveloped lands. The Pan-American Health Organization has just issued a report showing that 3,000 university-educated Latin Americans have migrated to the United States in the past 5 years. Argentina and Colombia are losing about 900 to 1,000 professional and technical workers a year, according to Carl Rowan, former head of the U.S. Information Agency. And estimates of the number of Asian students who come here and do not return still range as high as 90 percent.

Unless we take strong steps to counter the brain drain, it will continue to go against a major aim of our foreign policy—helping young nations break free from their poverty.

The steps we do take must be considered with great care. We have no desire to erect a wall excluding immigrants from the developing countries, so many of whom have already given so much to our national life. Nor can we do without immigrants engaged in such fields as medicine; we will depend too heavily upon them until we substantially expand our own medical schools. Nor, I should add, do we want students and members of the professions who come here from developing lands to return home if their talents will be wasted there, as all too frequently happens.

And in developing an American policy to meet the brain drain, we should not take upon ourselves the entire responsibility for its solution. The brain drain runs to other developed nations as well. And the main burden in stemming it must rest the same place where the main burden for all of economic development rests—on the shoulders of the developing countries themselves.

For the poor can only be helped if they are determined to help themselves. Unless poor nations take hard steps to increase the attractiveness of opportunities available to their own most talented citizens, the brain drain will continue and accelerate, whatever America may do.

But we do have a responsibility not to aggravate the brain drain, as many of our present policies tend to do.

We must concentrate our efforts on those nations that are willing to help themselves, as we must in all of our foreign aid programs.

And just as economic development is not a matter of weeks or years, but of decades, so also the brain drain is not a problem we can solve within one or two congressional sessions. As in our foreign aid policies, we must plan a program that will be effective over the long haul, during what President John F. Kennedy called the "long twilight struggle, year in and year out."

The bill that my colleagues and I are putting forward for the consideration of the Senate recognizes that we cannot solve this problem all at once. But it recognizes equally that now is past time to make an important first step. It is not a final answer, but a beginning quest for an answer.

This bill would establish a national policy of providing assistance in relieving the brain drain to developing countries which suffer severely from it, and which also are serious about combatting it themselves, and are demonstrating their determination by working to improve professional opportunities for their educated people.

To make a beginning in carrying out this policy, this bill would attack the brain drain in three areas where the United States can have substantial impact—our education of foreign students, our development assistance, and our immigration laws.

First of all, it would establish a modest program of grants to our colleges and universities to support new courses of instruction and improved counseling for students from developing countries, with the aim of relating their educational experiences here as closely as possible to the challenges and the opportunities they will meet on returning home. The aim is not, of course, to follow the model of Patrice Lumumba University in Moscow and segregate these students from American society. We will always want foreign students to mix freely with our own, to develop lasting associations and friendships with Americans based upon mutual liking and mutual respect. We will always want them to develop as complete and balanced a view of America as they can.

But we must remember also that our primary objective in educating foreign students is not to suit them for American life, but to make them better able to serve their own lands. Today it is far too easy for our colleges and universities to take students from developing countries, particularly the best students, and give them an advanced, high-quality education which fits them admirably to become professors at an American institution, or engineers for IBM, but causes them also to lose contact with their homelands.

We do not wish to sacrifice educational quality. But we do hope that this $5 million pilot program of grants can help our colleges and universities develop improved programs for at least a few of the 90,000 foreign students now in America, programs which will make their education in the United States not a sharp breakaway from their home countries, but rather an experience which prepares them better to serve these countries' needs.

The second pilot proposal in this bill would amend the Foreign Assistance Act of 1961, establishing a new title X to help developing countries expand and improve opportunities for their professional and skilled citizens.

An increasingly important part of our foreign aid program has been support of manpower planning—helping young nations to shape their education programs and institutions to provide the types of training, and supply the proper numbers of trained people, that their societies are expected to need in the near future. Yet we have not given sufficient attention to an equally important problem—making effective use of doctors and engineers and scientists once they are trained, and providing them opportunities that will make them want to remain to serve their homelands.

In my speech to the Senate August 31, I said that "until this fundamental and neglected problem of manpower utilization is met in developing countries, there will continue to be a severe brain drain no matter what else we do." And at the root of this problem, I said, is "the lack of effective economic and social institutions to attract the right man to the right job, to award posts on the basis of potential capabilities rather than personal connections, and to allow a talented young man to advance as fast as his abilities merit."

Clearly such institutional changes will not come overnight. Like many that we seek to encourage in our aid program, they are a matter of years, and sometimes decades. Part of the problem, but only a part, is developing more effective placement, helping the right man get the right job. More important in the long run is the problem of making professional work more attractive, not just in salary—although that is a part—but in opportunities for the exceptional man to advance as fast as his talents carry him, better facilities for professional endeavor, and greater recognition within his society of the importance of his work.

We do not have all the answers on how we can best work toward this end, but the need is clear. This pilot program would support aid projects to advance this aim in countries which were taking steps to help themselves.

Finally, this bill would amend the Immigration and Nationality Act to authorize the President to enter bilateral agreements with individual developing countries affecting our immigration and visa policies, and these countries' exit policies.

Such agreements would be a means of bringing balance to our immigration policies—these policies now admirably recognize our willingness to welcome newcomers from throughout the world, and our needs for professional and

skilled manpower. But they do not take adequate account of the needs of countries whose rapid development is in our own national interest.

These agreements would not represent a sweeping change in our immigration policies; being individual and specific, they would relate to the particular problems of particular countries, and only those countries which were taking steps to help themselves. But they would be a means of countering, on a limited basis, the clear effect that the 1965 immigration legislation has already had in exacerbating the brain drain—an effect seen in the increase of professional immigrants from India from 54 in fiscal year 1965 to 1,750 last year.

As a cosponsor of the 1965 act, I remain a strong supporter of elimination of the national origins quota system. But in countries severely hurt by the brain drain, some adjustment is clearly needed.

The bilateral agreements this bill proposes could make such an adjustment in one or more of several ways.

They could require that some or all students who henceforth come to the United States from a particular country would receive visas requiring them to return home for 2 years, before being eligible for permanent immigration to the United States. This would meet the problem of those who come here on temporary visas as students and then, either through a sincere change in plans or, in some cases, through premeditation, adjust their status to permanent resident.

These agreements could, in certain specific cases, provide that the privilege of receiving a U.S. immigrant visa be restricted for those whose departure from their homelands would be extremely detrimental to their countries because of the need for their talents. But this could only be done if such persons were guaranteed good professional opportunities, and a reasonable chance to develop a rewarding professional life.

Finally, these agreements could provide that the United States would not grant immigrant visas to those from developing countries who violated reasonable contracts with these countries relating to their return. For example, some foreign nationals who come here temporarily agree that they will return home for a certain number of years to put their training to work. Or they may agree that if they do not return home, they will pay to their home countries a certain sum of money in recognition of the value of the education and training they have received at their country's expense. A bilateral agreement authorized by the President could provide, if the President so desired, that a person violating such a contract would not be issued an American immigrant visa.

Neither if applied individually nor if taken together would these proposals mean an immediate, substantial cut-back in the flow of talented people from developing countries to our own. They are limited, and rightly so, because in this area also we would be experimenting, and still searching for the best means of dealing with this complex problem. And the bill would specifically exempt from these provisions all refugees unable to return home for fear of political, racial, or religious persecution.

But the bilateral approach, although somewhat unusual in immigration policy, has two major advantages in combating the brain drain—it enables us to focus on countries where the problem is most acute, and it provides that action not be limited to the United States alone, but that developing nations themselves contribute in more than equal measure to stemming the flow of talent.

As with the other proposals in this bill, it would recognize that the brain drain is a major international problem. And it would enable us to take some beginning steps in dealing with this problem.

And one of the most encouraging developments I have seen since I delivered my speech to the Senate has been the growing recognition in the press, and among Government officials and interested private citizens and groups that some kind of strong action to meet the brain drain is clearly needed.

A growing number of our people are recognizing that the brain drain is one of the major threats to the hopes of that majority of mankind now living just above the subsistence level. And they realize that, in the words of President Lyndon Johnson:

> Our island of abundance will [not] be finally secure in a sea of despair and unrest or in a world where even the oppressed may one day have access to the engines of modern destruction.

To illustrate this growing general concern, I ask unanimous consent that a selection of recent short articles and editorials about the brain drain be reprinted in the RECORD at the close of my remarks, together with a few of the many excellent letters I have received in response to my recent speech; and, finally, I ask the consent of the Senate that a short summary of my bill, followed by its full text, be reprinted in the RECORD immediately following this statement.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill, summary, articles, editorials, and letters will be printed in the RECORD.

The bill (S. 3905) to establish a comprehensive program designed to assist the developing countries in efforts to reduce the drain from such countries of professional persons and skilled specialists in cases where their abilities and skills are urgently needed in their homelands, introduced by Mr. MONDALE (for himself and other Senators), was received, read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

S. 3905

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "International Brain Drain Act".

DECLARATION OF PURPOSE

SEC. 2. (a) The Congress hereby declares that it is the policy of the United States and purpose of this Act to promote world peace and the security of the United States by providing assistance to the economically less developed countries of the world designed to relieve the drain from such countries of the professional and skilled manpower which is indispensable to their progress toward stability and self-reliance.

(b) The Congress finds that the drain of talented, trained persons from the developing countries—the brain drain—is endangering the peace of the world by accentuating the gap between the wealthy and the less developed countries, by compromising the commitment of the United States to assist the economic growth of such countries, and by preventing such countries from achieving progress at a sufficient speed to realize at least a portion of their rising aspirations.

(c) Accordingly, the Congress declares that the United States should establish a comprehensive program to assist economically less developed countries in reducing the drain of professional persons and other skilled persons from such countries in cases where their abilities and skills are urgently needed in their homelands.

(d) The Congress further declares that such assistance should be directed toward those countries which are making efforts to help themselves and should be responsive to the needs of the talented, trained citizens and nationals of each assisted country to enjoy rewarding professional opportunities and careers in their home countries.

GRANTS FOR EXEMPLARY PROGRAMS RELATED TO SPECIAL NEEDS OF STUDENTS AND TRAINEES FROM DEVELOPING COUNTRIES

SEC. 3. (a) The Commissioner of Education (hereafter in this section referred to as the "Commissioner") is authorized to make grants to institutions of higher education to encourage and assist in the development and establishment of exemplary programs of instruction, training, and counseling for students and trainees from the economically less developed countries related to the particular needs for professional and skilled manpower of their native or home countries and the solution of any professional or occupational problems such students and trainees will face upon returning to their native or home countries. For the purpose of making grants under this section, there is hereby authorized to be appropriated, to the Commissioner the sum of $5,000,000, which sum shall remain available until expanded.

(b) Grants under this section may be used, in accordance with applications approved under subsection (c), for planning for and taking other steps leading to the development of programs described in subsection (a) and for the establishment, maintenance, and operation of pilot projects designed to test the effectiveness of programs so developed. Such programs may include guidance and counseling services for students and trainees from the economically less developed countries designed to enable them to be fully aware of educational, scientific, technological, cultural, and other pertinent developments in their native or home countries and of professional and occupational opportunities available in their native or home countries. No payments under any grants made under this section shall be used for the construction of any structures or facilities or for the acquisition of any lands.

(c) Grants under this section may be made only upon application therefor to the Commissioner at such time or times, in such manner, and containing or accompanied by such information as the Commissioner deems necessary. The Commissioner shall approve an application for a grant under this section only upon his finding that such application—

(1) provides that the activities and services for which financial assistance is sought will be administered by or under the supervision of the applicant;

(2) sets forth a plan or program for carrying out the purposes set forth in subsection

(a) and provides for such methods of administration as are necessary for the proper and efficient operation of such plan or program;

(3) sets forth policies and procedures which assure that Federal funds made available under this section, will be used to supplement or increase the level of any funds that would, in the absence of Federal funds, be made available by the applicant for the purposes set forth in subsection (a), and in no case supplant such funds;

(4) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this section; and

(5) provides for making such reports as the Commissioner may reasonably require in carrying out his functions under this section.

(d) (1) The Commissioner shall pay to each institution of higher education which has an application approved under this section an amount equal to the total sums expended by it in accordance with such application for the purposes set forth therein.

(2) The Commissioner may make payments under this section in installments and in advance or by way or reimbursement, and may provide for such adjustment of payments as may be necessary, including total withholding of payments if the Commissioner determines that any applicant has failed to comply with any condition or requirement of its application.

(e) Nothing contained in this section shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any institution of higher education.

(f) As used in this section, the term "institution of higher education" means an educational institution in any State which (1) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such certificate, (2) is a public or other nonprofit institution, and (3) is (A) a college or university which provides an educational program for which it awards a bachelor's degree or advanced degree or provides not less than a two-year program which is acceptable for full credit toward such a degree, (B) a school of nursing which provides not less than a two-year program of education in professional nursing and allied subjects, or (C) a school which provides not less than a one-year program of training to prepare students for gainful employment in a recognized occupation. For purposes of this subsection, the Commissioner may prescribe the standards of content. scope, and quality of training which must be met by colleges, universities, and schools in order to qualify for participation in the program established pursuant to this section.

ASSSISTANCE TO DEVELOPING COUNTRIES TO PROVIDE BETTER OPPORTUNITIES FOR PROFESSIONAL AND SKILLED PERSONS RETURNING TO THEIR HOMELANDS

SEC. 4. Chapter 2 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2161 et seq.) is amended by adding at the end thereof a new title as follows:

"TITLE X—OPPORTUNITIES FOR PROFESSIONAL PERSONS AND SKILLED SPECIALISTS OF DEVELOPING COUNTRIES

"SEC. 291. General authority.—(a) It is the policy of the United States and the purpose of this section to insure that assistance furnished under this chapter shall be available whenever practicable to encourage and support projects and operations in assisted countries which will provide opportunities, facilities, and equipment for the better utilization of the abilities of citizens, nationals, and residents of such countries who are members of the professions or skilled specialists, particularly projects and operations designed to insure that the abilities and experience derived by students and trainees from such countries who return to their homelands or residences after periods of training, study, education, or employment in other countries will be best utilized in the national interests of their home countries and that such students or trainees will be provided with reasonable opportunities to develop rewarding professional careers.

"(b) In order to further the purposes of this title, the President is authorized to make grants or loans to any country to which assistance is furnished under this chapter, on such terms and conditions as he may specify, in order to promote experimental projects and operations in such countries of the kind described in the preceding sentence. There is hereby authorized to be appropriated to the President for the purposes of this title for the fiscal year ending June 30, 1967, $5,000,000, to remain available until expended.

"(c) For purposes of this title—

"(1) the term 'professions' shall include, but not be limited to, architects, engineers, lawyers, physicians, surgeons, and teachers in elementary or secondary schools, colleges, academies, or seminaries, and

"(2) the term 'skilled specialists' shall include persons with exceptional ability, technical training, high education, or specialized experience in the sciences or the arts."

AMENDMENTS TO IMMIGRATION AND NATIONALITY ACT TO RELIEVE UNDUE IMMIGRATION TO UNITED STATES OF PROFESSIONAL AND SKILLED PERSONS FROM DEVELOPING COUNTRIES

SEC. 5. (a) Section 212 of the Immigration and Nationality Act (8 U.S.C. 1182) is amended by adding at the end thereof the following new subsection:

"(j) (1) (A) The President is authorized, in his discretion, to enter into an agreement with the government of any economically less developed country under which the United States shall assist, in the manner hereinafter provided, in relieving the undue immigration to the United States of professional persons and skilled specialists who are citizens, nationals, or residents of such other country, but the President shall enter into an agreement under this section only if he finds that the contracting country will make substantial efforts of its own to solve the problems related to the drain of professional and skilled manpower from such country.

"(B) Such agreements may provide (i) for the application of paragraph (2) of this subsection so as to require any or all categories of alien students and trainees from any economically less developed country who are, or are likely to become, members of the professions or skilled specialists, to return to their home countries for a period of residence therein of at least two years after the completion of their education or training in the United States; (ii) for the application of paragraph (3) of this subsection so as to prohibit the immigration to the United States of certain professional persons and skilled specialists from such countries in cases where their abilities or skills are urgently needed in their home countries; (iii) for an agreement by the United States to recognize and honor any contract between any economically less developed country and any citizen, national, or resident of such country who seeks to enter the United States as a student, scholar, trainee, or other person within the classes of nonimmigrant aliens described in section 101(a) (15) (F) or 101 (a) (15) (J) imposing reasonable conditions relating to the return of such persons to their home countries; and (iv) for the establishment of bi-national immigration review panels consisting of appropriate officials or officers of the United States and the contracting country and authorized to consult with consular officers or other pertinent officers of the United States on all matters relating to the administration of the provisions of this subsection and to provide advisory services with respect to individual cases arising in the administration of such provisions.

"(2) No alien whose place of birth, nationality, or last residence was in an economically less developed country, with which there is in effect an agreement under paragraph (1) of this subsection for the application of this paragraph, and who was admitted into the United States under section 101(a) (15) (J) (ii) or acquired such status after admission into the United States shall be eligible to apply for an immigrant visa or for permanent residence until it is established that such person has satisfied the requirement of two-year foreign residence abroad provided by section 212(e); except that the Attorney General may waive such requirement in the case of any alien whenever the conditions provided for waivers under such section are met, or whenever, after consultation with the bi-national immigration review panel for such country, if any, he determines that the abilities or skills of such alien are not in a category urgently needed in his home country.

"(3) No alien whose place of birth, nationality, or last residence was in an economically less developed country, with which there is in effect an agreement under paragraph (1) of this subsection for the application of this paragraph, shall be eligible to apply for an immigrant visa or for permanent residence if (A) the departure of such alien from such country would be extremely detrimental to such country because of the urgent need for such alien's abilities or skills, and (B) the consular officer ar Attorney General finds that the abilities and skills of such alien will be effectively utilized in such country and that such alien will be provided with a reasonable opportunity to develop a rewarding professional career.

"(4) No alien whose place of birth, nationality, or last residence was in an economically less developed country, with which there is in effect an agreement under paragraph (1) of this subsection for the application of this paragraph, and who was admitted into the United States as a nonimmigrant within the classes described in section 101 (a) (15) (F) or 101(a) (15) (J) shall be eligible to apply for an immigrant visa or for permanent residence, if such alien is a party to any contract with his home country referred to in paragraph (1) (B) of this subsection and fails to comply with any reasonable requirement imposed with respect to him by such contract."

"(5) Nothing contained in the preceding paragraphs of this subsection shall be applicable to any alien who because of persecution or fear of persecution on account of race, religion, or political opinion is out of the country of his birth, nationality, or last residence and is unable to return thereto."

(b) Section 101(a) (15) (J) of the Immigration and Nationality Act (8 U.S.C. 1101) is amended by (1) inserting "(i)" immediately after "abandoning", and (2) inserting, immediately before the period a semicolon and the following: "or (ii) who is a bona fide student or trainee who seeks to enter the United States temporarily and solely for the purpose of studying, observing, conducting research, consulting, or receiving training and whose place of birth, nationality, or last residence was in an economically less developed country, with which there is in effect an

agreement under section 212(j)(1) providing for the application of section 212(j)(2), and the alien spouse and minor children of any such alien if accompanying him or following to join him."

The summary, articles, editorials, and letters presented by Mr. MONDALE are as follows:

THE INTERNATIONAL BRAIN DRAIN ACT OF 1966—A SUMMARY

A. Purpose—The Congress finds that the large-scale drain of talented, trained persons from the developing countries is endangering world peace by accentuating the gap between rich and poor countries, and that the United States should establish a comprehensive program to help reduce the brain drain from those developing countries which: (1) suffer severe adverse effects from it; and (2) are taking strong steps to deal with it by providing rewarding professional opportunities and careers for their own nationals.

B. Grants for Special Foreign Student Programs—$5 million is authorized for the Commissioner of Education to make pilot grants to institutions of higher education to support new programs of instruction, training, and counseling of foreign students aimed at relating their educational experiences in the country more closely to the needs of their homelands and occupational opportunities there.

C. Aid to Developing Countries to Increase Opportunities for Professional and Skilled Persons—$5 million is authorized, in a new Title X which would be added to the Foreign Assistance Act of 1961, to support experimental projects aimed at improved utilization of professional and skilled nationals in developing countries, and better opportunities for career development.

D. Limited Programs to Take Account of Needs of Developing Countries in our Immigration Policy, in Addition to Our Own Needs. The President is authorized to enter bilateral agreements with particular developing countries which are themselves making substantial efforts to attack the causes of the brain drain. Such agreement shall relate to such categories of needed professional and skilled persons as he deems advisable, and provide one or more of the following:

1) That some or all students from such country come to the United States for studying purposes under visas which require them to return to their homelands for two years before becoming eligible for permanent residence in the United States, subject to waiver in hardship and other special cases;

2) That immigration of certain professional or skilled persons to the United States be restricted, in cases where their home country has a very severe need for their services, where there is substantial evidence that these services will be effectively utilized, and those affected will have good opportunities for career development;

3) That the United States will support contracts entered into between developing countries and their nationals imposing reasonable conditions relating to their return home after a stay in the United States, by denying immigrant visas to those who violate reasonable conditions in such contracts;

4) That there be established an immigration review panel composed of appropriate officials of the United States and the contracting country to consult on matters relating to the administration of such agreements and to advise on individual cases which may arise.

In all cases, special consideration would have to be given to political refugees barred from return due to the character of their home government.

[From the Evening Star, Sept. 9, 1966]

BRAIN-DRAIN CRISIS OF POOR NATIONS INTENSIFIES

(By Carl T. Rowan)

I wrote a very harsh and difficult letter the other day. I rejected flatly the request of a student from India that I help him change his status in the United States to that of a permanent resident.

I explained that I had vowed many months ago to do nothing that would encourage the flow of brains and skilled manpower away from the poor nations to the wealthy ones.

I had become shocked at the magnitude of this "brain drain—disturbed by such things as Cornell University President James A. Perkins' assertion that "over 90 percent of Asian students who come here to study never return home."

I felt that if the most talented and productive members of the poor nations continue to be absorbed by the rich societies, we shall never begin to close the standard-of-living gap that has Americans earning $3,000 per person annually while the per-capita income averages only $120 per year in 40 poor nations.

Yet, I was beginning to believe a couple of friends who said I was "harsh" and "lacking in humanity" in the case of the Indian student until I read a recent speech by Sen. WALTER F. MONDALE, D–Minn.

With an impressive array of facts and figures, MONDALE documented the "brain drain" as precisely what I had sensed it to be: an urgent problem that counteracts our foreign aid program and constitutes a real threat to future world peace.

The medical and public health needs of all the poor nations are acute. Yet, as MONDALE points out, 10,974 of the 41,102 residents and interns in U.S. hospitals are graduates of foreign medical schools—and more than 8,000 of them are from developing nations.

These nations cannot develop satisfactorily without higher levels of scientific and technical know-how. Yet, MONDALE points out, between 1956 and 1963, 2,858 scientists and engineers from Latin America and 4,114 from Asia moved permanently to the United States.

The Minnesotan points out that progress in one aspect of foreign policy has added sharply to the "brain-drain" problem. In fiscal 1965, when the old immigration law with its discriminatory national-origins quota system was in effect, 54 people came here from India under the professional and technical workers preference category. But in the year ending this June 30, the number of Indian immigrants in tihs category was 1,750—a 3,200 percent increase.

The number of Koreans in this category rose from 51 in 1965 to 400 in 1966.

The rich nations are giving with one hand and taking with another. For example, from 1962 to 1964, our Agency for International Development (AID) paid for 16,493 trainees from Asia, Africa and Latin America to study an average of nine months in the U.S. These students had to pledge to go home and use their new skills there for at least two years.

However, during the same period 8,151 other students from these same continents changed their status so as to become permanent residents of the United States.

In some instances, as in the field of medicine, the United States is using foreigners to fill needs that exist because we won't train our own people. Medical experts have said that if the 11,000 foreigners were withdrawn from internships in the U.S. hospitals, these institutions would have to reduce sharply their service to patients.

With remarkable restraint, MONDALE calls this "a national disgrace."

The young Minnesotan emphasizes that we don't want to return to the old discriminatory quota system. Nor should we adopt policies so inflexible that they fail to recognize the fact that many students gain knowledge and skills here that are simply not usable, at present, in their home countries.

What MONDALE urges is that the United States (along with Canada, Britain and other developed nations) pay some real attention to the "brain drain" crisis. Someone needs to take some hard looks at the practicality of the training we are giving many of these students.

The governments of the poor nations ought to be brought into the development of a new, sensible program.

Otherwise we shall continue giving some foreign aid here and taking away some human resources there—and let the future take care of the gathering crisis.

[From the St. Paul Dispatch, Sept. 9, 1966]

U.S. "BRAIN DRAIN" POLICY

When Congress changed immigration laws to favor admittance of foreigners with special abilities and skills as a replacement for the old national origins system there was general approval. But problems have developed.

Now, says Senator WALTER MONDALE, the United States is draining off the brainpower of underdeveloped nations and thereby making it harder for the "havenot" countries to solve their own problems. With one hand America sends technicians and educators abroad to stimulate self help, but with the other we attract native talent and leadership from the regions which need it most.

This situation, MONDALE believes, has become "one of the major forces accentuating the gap between rich and poor nations." Yet it is a stated part of United States foreign policy to narrow this gap.

He points out that nearly 11,000 of the 41,000 interns and resident physicians in American hospitals today come from abroad, mostly from underdeveloped nations which have great need for more medical personnel of their own. In theory these foreign doctors are continuing their education, but many never go back home. Thus the world's richest nation is robbing the poorer countries of talent because the United States has failed to educate enough physicians for its own requirements. This medical manpower situation does not arise from the immigration law changes, but is an indication of what is happening in other skilled and professional fields.

MONDALE proposes development of official American policies to counteract the "brain drain," such as requiring persons here under student visas to return to their home nations for a minimum of two years before applying for permanent admittance as immigrants. "A balance must be struck," he says, "between this problem and the freedom of the individual who wishes to come to our shores."

The underdeveloped nations themselves have responsibilities to encourage their native talent to serve home needs, but some modification of American policies also is indicated.

THE "LOW DOWN"—FROM THE CONGRESSIONAL RECORD: U.S. HOSPITALS DEPEND ON FOREIGN BRAIN DRAIN

Senator W. F. MONDALE (Minn.) . . . "The large-scale migration of talented professional people from (the developing) countries to the United States and other advanced nations threatens one of the paramount objectives of our foreign policy—reducing the gap between the rich and poor nations of the world.

The brain drain is particularly severe in medicine. . . .

"One article on this subject by Dr. G. Halsey Hunt of the Educational Council for Foreign Medical Graduates, was published

in the April 1966 issue of Federation Bulletin. He cites the staggering fact that, according to the latest figures, 10,974 out of 41,102 interns and residents working in American hospitals are graduates of foreign medical schools. Dr. Hunt continues:

" 'It is a depressing and humbling experience for an American doctor to visit a medical school in one of the under-industrialized countries of Asia, to have his host open the conversation with a bland statement that "You people in the United States, and your hospitals couldn't get along without our doctors," and to realize that at the present time this is indeed a fact.'

" 'If the 11,000 foreign graduates who are now occupying internships and residencies in United States hospitals were to be suddenly withdrawn, many United States hospitals would be forced to curtail sharply their services to patients. . . .'

"Another report on the brain drain . . . by Dr. Kelly M. West of the University of Oklahoma School of Medicine . . . concludes:

" 'Some countries such as Korea, Greece, and Peru are losing substantial portions of their very limited medical manpower through migration to the United States. . . . The immigration of foreign graduates now accounts for a substantial percentage (18 per cent) of the annual additions to the U.S. medical profession. We would have to build and operate about 12 medical schools to produce the manpower being derived through immigration (approximately 1,200 per year). The dollar value per year of this "foreign aid" to the United States approximately equals the total cost of all medical aid, private and public, to foreign nations.'

"We should be planning now to move toward a situation where the richest nation in the world is able to meet its own medical needs. Then when we invite doctors from developing nations to this country, we can concentrate on providing them with training to handle the problems they will face upon returning home."

A GRASSROOTS COMMENT

No one questions the need for improved medical services in the developing countries.

However, a quick look at the need for improved medical services in this country, might be in order.

The U.S. Department of Public Health could undoubtedly furnish a long list of communities in the United States without medical services of any kind, or services too distant to be of any immediate benefit.

Our medical expansion plan should, indeed, correct the brain drain. The plan should also provide enough doctors to restore the word, "housecall," to the English language.—J. C.

[From the Erie (Pa.) Times, Sept. 28, 1966]

ROBBING THE POOR

In a recent speech, Senator WALTER F. MONDALE (D-Minn.) outlines an urgent problem that counteracts much of our foreign aid program.

This is the "brain drain", the continuous flow of the best brains from the underdeveloped areas of the world to the U.S.

The lure is obvious—the "good life" as it is lived here.

But this continuous draining of the best talent away from the areas which need it badly poses a serious threat to future world peace.

Take the area of public health. Medical needs of the poor nations are tremendous. Yet, Senator MONDALE points out that 10,974 of the 41,102 residents and interns in U.S. hospitals are graduates of foreign medical schools—with more than 8,000 of them from developing nations.

Poor, underdeveloped nations badly need technical skill. Yet, Senator MONDALE declares, between 1956 and 1963, 2,858 scientists and engineers from Latin American and 4,114 from Asia moved permanently to the United States.

The new, enlightened immigration law passed by the U.S. has added to the problem.

As Senator MONDALE notes, in fiscal 1965, when the old immigration law with its discriminatory national origins quota system was in effect, 54 people came here from India under the professional and technical workers preference category.

But in the year ending last June 30, the number of Indian immigrants in this category was 1,750. The number of Koreans in this category rose from 51 in 1965 to 400 in 1966.

At the same time the U.S. is sending its talented young people out to underdeveloped regions as part of the Peace Corps, it is luring—not intentionally but in fact—the talented of nations it is seeking to help.

The problem is particularly acute in medicine.

Because not enough young Americans are going through medical school, the U.S. is using foreign doctors to fill the gap.

The richest nation in the history of the world isn't training enough young doctors of its own so it is luring off the best the underdeveloped nations produce, even though these same foreign doctors are desperately needed in their own countries.

Senator MONDALE calls this a "national disgrace" and it is certainly something for Americans to think about.

[From the Minneapolis Tribune, Oct. 10, 1966]

"BRAIN DRAIN" IS GROWING CONCERN IN SOUTH AMERICA

(By David Mazie)

BUENOS AIRES, ARGENTINA.—South America slowly is being sapped of its most valuable resource—educated, skilled manpower.

In growing numbers, scientists, technicians, engineers, teachers and professional people are leaving their countries. Most of them are headed for the United States.

This is the "brain drain" that is causing growing concern in both North and South America.

The Organization of American States (OAS) has scored the exodus of talent, pointing out that it was something development countries could not afford.

Sen. WALTER F. MONDALE, D-Minn., recently noted the paradox of America's sending aid to underdeveloped nations and then taking back their skilled workers.

Officials of the Alliance for Progress have said one of the major roadblocks in the path of the Alliance was the lack of human resources in Latin American nations—the shortage of men and women who could carry out projects.

But the "brain drain" is proving easier to point out than to plug, as experience in Argentina shows.

Argentina, with its well developed system of higher education, probably is the hardest hit South American country in terms of numerical losses. U.S. Department of Justice figures show that, in the last 15 years, 15,937 specialists emigrated from Argentina to the United States alone. (It's thought that up to 10,000 more have gone to Europe and elsewhere.)

Approximately 45 per cent of those were technicians and professional people, 40 per cent skilled workers and 15 per cent high-level administrators.

More specifically, studies in other countries indicated that the greatest exodus has been by engineers, doctors and nurses, economists, electronic experts and mechanics.

The drain is increasing. In 1950 fewer than 200 Argentine technicians emigrated to the United States while last year the figure was 2,133.

In Argentina there has been some offsetting "brain gain"—immigration from other countries. But, in recent years, the losses considerably have outnumbered the gains.

Putting a price tag on this is difficult. But it's estimated that Argentina loses $10,000 to $20,000 on each emigrant in cost of government-financed schooling alone.

More important, and far more expensive in the long run is the loss of highly skilled people on whom Latin America's future depend.

Why does a doctor decide to stay in the United States after originally going for only a year or two? Why does a young mathematician prefer to teach in a North American university or an engineer want to work for a U.S. firm?

One of the most obvious reasons is higher wages. A beginning engineer can double the $4,000 annual salary he might get in Argentina. A professor can make considerably more than the $400 a month he earns there.

Another factor is working conditions. Research facilities are better in the United States, and there is an opportunity to work alongside a greater number of outstanding men in specific fields.

The feeling of stability and the noninvolvement of U.S. schools and institutions in political fights is an important lure in Argentina today. Government interference with Argentina universities drove out hundreds of faculty members during the dictatorship of Juan Peron and is threatening to do the same now.

Even cupid is a culprit. Many persons who leave home with the intention of returning marry an American and stay in the United States.

But of all the causes the most important is an "intangible" one, according to Manuel Sadosky, director of the Institute of Calculus and former vice-dean of the University of Buenos Aires School of Exact Sciences.

"Certainly, part of the problem is economic," says Sadosky. "But that's not the most important reason. What matters more is personal and intellectual satisfaction. We must give our young people a chance to apply what they've learned and to do work with dignity."

To lure emigrants back, Argentina has been offering fellowships and generous tax exemptions, such as the right to bring in a $4,000 car.

A few hundred people have returned but prospects of reclaiming large numbers are not good.

To keep students from leaving, other tactics are being used.

Scholarships for overeas study limit the students' time abroad and require their return to Argentina. The difficulty is that many make contacts while abroad and return tc the United States as emigrants after putting in their mandatory time.

The drain of talent could be halted at the other end of the pipe—in the United States, but that seems unlikely to happen at present. In fact, United States laws have liberalized to facilitate immigration of technicians.

[From the Foreign Service Journal, Apr. 1965]

FOREIGN STUDENTS: EXCHANGE OR IMMIGRATION?

(By Gregory Henderson)

There is much talk of the "brain drain" of English scientists to American institutions. Sometimes, indeed, the impression given is that this drainage is a wholly British phenomenon. In fact, the most serious drain is from underdeveloped countries. What is more, there is every prospect that it will shortly increase.

In 1965 the Johnson Administration is expected to propose again the immigration

bill not acted on by the last session of Congress. This bill aims at revising an immigration quota system admittedly antiquated. It contains many improvements. Its central feature is the reduction by twenty per cent each year for four years of the present annual quota for each area and the addition of these quota numbers to an overall reserve distributable to countries whose demand for immigration has not been met. Up to 50% of such distributed numbers may go to "qualified quota immigrants capable of performing specified functions for which a shortage of employable and willing persons exist in the United States. . . ."

This change sounds most reasonable. Yet it will greatly increase the already painful draining away to ourselves of the very skills needed by the emerging nations in order to better themselves. For prominent among the nations whose quotas have been insufficient are those very lesser-developed nations we have sought to aid. Addedly painful has been the fact that this already serious drainage has, up to the present, been effected in the fair name of "international exchange."

Firm facts on the non-return of foreign students are almost impossible to obtain. The US Immigration and Naturalization Service keeps information on those converting to permanent residence but does not break its statistics down by nationality. It acknowledges, however, that "student immigrants" are numerous, especially from Asia. Many other institutions concerned with exchange are distressed about the problem but have not given it voice and action.

THE RATE OF RETURN OF FOREIGN STUDENTS

Silence and obscurity notwithstanding, many emerging countries are having great difficulties getting their students home. State Department sources say that the rate of return of Chinese students, from Taiwan, Hong Kong and Chinese minorities in Southeast Asia, who numbered 5,410 at the end of the 1963–64 academic year, probably runs no higher than 5–7%, if that high. Especially few of the 3,057 from Taiwan itself return. China has for years been one of the three largest senders of foreign students to the United States; a rate of approximately this proportion on a figure of this dimension maintained, as it generally has been, for some fifteen years, means that perhaps tens of thousands of Chinese students have settled here permanently; some 2,000 because permanent residents in the year ending June 30, 1963. The loss of the Chinese mainland has, of course, seriously curtailed their opportunities. Yet I have observed important jobs in Taiwan crying to be filled, while former Chinese students, now fully trained in these fields, were holding down lucrative employment in American industry.

Korea, for years one of the top seven providers of students, has sent, according to a recent American-Korean Foundation report "almost 8,000" students to the United States since 1946 of whom an estimated 800 have returned to Korea. Some 2,411 Koreans are listed by the Institute of International Education (IIE) as still in student status in 1964. Some 4,800 Korean students would thus appear to be nonreturnees. Upwards of 800 have been "adjusted" in the last two years alone. Informal indications show that this low return rate is currently falling still further. Indeed, the wholesale importation of students' families from Korea is now increasing.

Iran, long one of the five or six largest student contributors with 2,824 students listed by IIE, has also suffered severe difficulties. The Embassy of Iran, whose concern has led to the maintenance of a special student office, informally admits that the actual number of her students here is much larger than 2,824—probably twice as much or more. One experienced Cultural Attache at a Near Eastern embassy in Washington said before a recent conference on development that "of Iran's 6,000 students in this country only 50% are returning." A similar percentage of Lebanon's 800 students or recent students stay here permanently. The problem has for decades concerned India, second-largest foreign student contributor; the Philippines, particularly in regard to medical interns and residents, of which she is the world's largest contributor to U.S. hospitals (1,687); Pakistan, Egypt, Colombia, Argentina, Ecuador, Greece, Jordan, and to a lesser but still painful degree, many others.

The challenge of drain has of course evoked some response. Many concerned nations have tried one technique after another to curb the flow, but their embassies have been frustrated. A foreign government can put no stamp in a student passport which will prevent him from settling in the U.S. and there are cases in which even removing the passport or ending its validity have not availed. Persuasion is usually equally unsuccessful. The lure of the dollar and of research is greater. Sedulous in preventing "unfair competition" among ourselves, we place no restraint on our efforts to bid with all our resources against less fortunate nations for their own citizens.

Even without the added incentive of relaxed immigration, the future promises increase, not control, of this process. We are now inheriting from Vietnam the problem of her expatriate intellectuals which was once France's. As revolutions and coups overthrow more of Africa's and other new regimes, more students will wish to remain. Our intention to help emerging nations will be increasingly compromised. Our government's left hand is heedless of its right. We give aid to China, Korea, India, and Iran with the one and take their best-trained men away with the other. Our universities do no better than the government: even while students of development decry our failures to help emerging nations successfully and their colleagues sign on as foreign technical assistants, the Foreign Student Advisor bewails the non-return of trainees to the lands they should help. Few universities, great or small, do not share in this pattern.

SCIENTISTS AND DOCTORS

The situation is especially serious with foreign scientists. The Yugoslav scientist, Dr. Steven Dedijer, has recently observed that "between 15 and 30 of the 120 countries of the world, with less than one-third of its population, possess practically all of its science," spending 95% of the world's research and development funds and reaping most of the benefits therefrom. Some 100 of the world's nations have "either in an absolute or in a relatively but very significant sense, no science." The problem of development is linked to that of indigenous science and the problem of scientific underdevelopment is closely coupled with the nonreturning student problem.

Ironically, many students from emerging nations enter science in the United States not in order to raise the levels of their own science-starved countries but because they know from experience that such training leads to job offers and permanent status. Scientific studies have, in other words, become for many a device not for development but for immigration. Recent UNESCO statistics indicate that 43,000 foreign scientists and engineers—almost ten a day—immigrated to the U.S. from foreign countries from 1949 through 1961. Chile's Ambassador Gutiérrez-Olivos, dismayed that the U.S. is holding in jobs 1,556 of South America's engineers and 213 of her chemists, is calling for action in this field.

I vividly remember the first electrical engineers we sent from Korea in 1949. One ended up at Westinghouse, another at General Electric; a third we did not send is now a Columbia professor. They have since been joined here by several dozen more. Our aid program has to make up for them. Americans with no better engineering training than these Korean graduates but speaking no Korean, devoid of either knowledge of, or interest in, Korea, or its culture, are sent to advise U.S. AID's electrical projects in Korea. They receive high salaries, live behind barbed wire, subsist on artificial PX and Commissary support and last all of two or three years.

The medical situation is worse, although here the problem arises after initial medical training. Dr. Ward Darley in the Journal of the National Medical Assoication has observed that "in the years from 1950 to 1960 almost 10,000, approximately 12% of the country's licentiates in medicine, were trained in foreign medical schools," and "in 1960, 1,400 foreign-trained physicians were added, or 18% of the total number of licentiates for that year." Though all these entered under Visitor Exchange visas and were thus constrained to leave the U.S. for at least two years after a maximum period of five years of study, the Bureau of Immigration and Naturalization between 1958 and 1963 gave 3,636 waivers permitting them to remain in the U.S.

Dr. H. Van Zile Hyde, former Chief of the Division of International Health of the U.S. Public Health Service, observed in the June 1963 issue of this Review that under the Education and Exchange Program, other countries in effect maintain the equivalent of three medical schools to satisfy U.S. domestic medical care demands; that in 1961, the U.S. absorbed into its permanent medical structure almost one-third of the medical graduates of that year from Greece. There are more American-trained Iranian doctors in New York than in all of Iran. Korea, over one-half of whose counties have not a single doctor with modern medical training, provides twenty anaesthesiologists for the staff of one East Coast American hospital alone.

These losses do not stop with health and engineering. The intellectuals we take are the people whose presence, withdrawn from homes, neighborhoods, shops, voting booths, newspaper columns, clubs, and tea rooms of their own lands, deprives us of the communication the societies of the emerging nations so desperately need with the more developed world. More than our own citizens, these should be the communicants of the experience of America and of democratic life, in a depth and variety that only those living here for years—not foreigners traveling through, or Americans expressing U.S.-born thoughts abroad in a foreign tongue—can impart.

WHAT CAN BE DONE

The causes and the cure for this problem are complex. Only a few ideas can be indicated here.

First among these is honesty. If, after every consideration, we still feel that, in an imperfect world, we have reason to seek an immigration program which attracts the trained men of emerging nations, let us have one. But let us argue for it openly, let us call it by its correct name, issue immigrant visas for it, and administer it as such. Let us stop concealing an immigration program under our student and international exchange programs. The pending immigration bill does at least fulfill this minimal requirement.

Next, we can insist that our own Immigration and Naturalization Service provide us with full statistics on each country's nationals entering since 1946 on student or exchange visitors visas and tell us what is the present status of each.

Exchange programs with countries consistently exporting their trained students can be tightened or, if improvement is not made, eliminated except in special cases.

Permits to stay for "practical training" following graduation can and should be signed by the prospective employer or, if their present widespread abuse is not stopped, eliminated entirely. More emphasis may have to be put on training students abroad rather than in the United States. Entrance requirements for the foreign student should be raised. When requests for prolongation of study for advanced degrees are made, universities should ask for evidence on how such training at that level will be used in the student's home country. Finally, admissions should be more and more restricted to foreigners past the undergraduate level so that the lures to stay in America will be countered by a maturer mind better grounded in his own home culture.

In the process, we shall have to examine our own educational system and ask why it appears to be failing to prepare foreigners for the problems they will face on return. If we want to be a teacher for the world, we shall have to prepare students for more than our own conditions.

More important and far more complex are the positive things we should do to help our foreign graduates win the important places they deserve in the development of their own countries. The intractability of the problems they face does not allow us simply to tell them to "go home" nor would doing so be within our best traditions. We cannot even assume that such graduates, unaided, can always find their own jobs and care for themselves. If we consider our foreign graduates assets for economic development which is also in our interest, then we should enter the new territory of helping them even after their return.

We are not weaponless for this. AID has scarcely started to work on this problem. We sent up institutes overseas, we have educational influence, both public and private, and we have great influence through our AID programs, which we have responsibility to administer with efficiency. We also have money and may, eventually, have to consider "return scholarships." If increasing specialists from such countries immigrate we could consider a special Peace Corps effort, additional to that we now have, to utilize their services of two or three years in their native countries.

Human happiness and freedom of choice should not be forgotten. It should, instead, be extended rather than parcelled out to a few individuals. Millions are longing to break the bonds of their own poverty and frustration, not just the suppliant before our desks. He chose freely, and his choice was to enter not for permanent but for temporary purpose. For all our sakes, he should stick to that choice.

None of this is easy, nor will it solve all problems. Hopefully it will alleviate a near-scandalous situation. International and inter-organizational effort will be needed to solve it. Foreign embassies, foreign student advisors, the Institute for International Education, the Exchange Program of the Department of State, the Immigration and Naturalization Service, the American Medical Association, the Department of Health, Education, and Welfare, the foreign student associations, the Human Resources Staff of AID and even the Peace Corps could place their resources behind solutions. They should—and will—be sympathetic to the foreign student caught in the mysterious tides which rip between advanced and emerging nations. Our intention is not to be stern, for the foreign student's job is one of the hardest of the modern world. Our aim should be to help him serve his own lands profitably and with full pride. If we so approach the task we will find cooperation.

Our belief in the peaceful development of the emerging nation demands both understanding and self-discipline. Our new immigration increases the question we must ask ourselves: is this belief great enough for us to sacrifice the vested interests we seem to be acquiring in retaining the foreign student? And our foreign graduates have a question to ask themselves: is their belief great enough to inspire a recommitment to their own lands?

SEPTEMBER 8, 1966.

Hon. WALTER F. MONDALE,
U.S. Senate

DEAR SENATOR MONDALE: I read your speech on "the brain drain" with the greatest attention and satisfaction. It seems to me a just and comprehensive review of a complicated problem, and I believe you have performed a significant public service by calling attention to it.

I hope you will permit me to call on you at the appropriate times for advice on this matter and for participation in some of the meetings we are holding about it. We should be in your debt if your schedule permitted you to come.

Sincerely,

CHARLES FRANKEL.

ASSOCIATION OF AMERICAN MEDICAL COLLEGES,
Washington, D.C., September 15, 1966.

Hon. WALTER. F. MONDALE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MONDALE: Thank you for your letter of September 9 with the attached copy of your speech on the "Brain Drain." I have also read with great interest your address of September 9 with the excellent bibliographic material which it included. You have very appropriately brought to the attention of the country a problem which is very possibly the most significant and neglected social issue of our times. My only comment at this moment is that you have been if anything rather conservative, as you probably know, it is almost certain that all of us are underestimating rather than exaggerating.

Most of my time is now being spent on the foreign medical graduate problem. Currently, I am working with a panel of the President's Commission on National Health Manpower which has been asked to study the question and make recommendations to the Commission which will report next year to the President. The panel had its first meeting on September 12 and will continue to meet for a number of months. During this time we will initiate a number of studies which will provide us with both data and judgments which are of critical importance to any successful remedial action. I am also initiating a fairly long-term review of the foreign medical graduates who trained in the United States and have returned to their own countries. My responsibilities include an advisory role with AID through which I hope to have a favorable influence on the attention given to the health manpower problems of developing countries. Although this is just a partial list of my involvement, you will see that I have good reason to be delighted with the attention which you have been giving to this very complex issue.

Although an increasing number of people are concerned with the brain drain and other less obvious defects in our current practices, it will be very difficult to improve the situation without a great change in understanding and sensitivity on the part of educators, professional leaders, and members of Congress. Many of us were disappointed when the International Health Act was held up in the Rules Committee because it made very good sense and the International Education Act, at least by implication, excludes medical education.

I would welcome the opportunity to meet with you at the earliest opportunity, I am sure much can be gained by further discussion. If we can be of any assistance, please feel free to call on us.

Yours very truly,

HAROLD MARGULIES, M.D.,
Associate Director.

NATIONAL ASSOCIATION FOR FOREIGN STUDENT AFFAIRS,
Washington, D.C., September 16, 1966.

Hon. WALTER F. MONDALE,
Senator from Minnesota,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MONDALE: Thank you very much for your letter and note of September 8, together with a copy of your recent speech to the Senate, "The Brain Drain from Developing Countries".

You have presented the problem of the brain drain accurately and forcefully, and your five proposals for dealing with it, if carried out, would undoubtedly work to the advantage of all concerned, both in the United States and abroad.

I wish it were possible to send a copy of your speech to each of the approximately 1,500 members of our National Association for Foreign Student Affairs who are directly concerned with the foreign students enrolled in our American colleges and universities. If it is not possible to arrange for such a mailing, I shall see to it that a summary of your chief points is made to be inserted in the October Newsletter of our Association.

May I express the appreciation of our National Association for your interest and activity in regard to this vitally important area of international educational exchange.

Sincerely yours,

FURMAN BRIDGERS,
President.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT,
Washington, D.C., September 23, 1966.

Senator WALTER F. MONDALE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: Thank you for sending to me, with your letter of September 9, the text of the thoughtful speech you recently made in the Senate on "The Brain Drain from Developing Countries" on which you have invited my comments.

The problem to which your remarks are addressed is a real and serious one. All too many students from developing countries who go abroad to learn skills and to obtain training unavailable at home find it difficult to resist the temptation to remain abroad, notwithstanding the great need for their services in the countries of their origin. Although I do not believe it would be appropriate for me to comment specifically upon your suggestions for action by the United States Government, the proposals you make clearly deserve the most careful consideration.

We in the International Bank are well aware of the problem. It is one of the reasons why an increasing amount of lending by the Bank and its affiliate, the International Development Association, is designed to expand and strengthen educational institutions in the developing countries, in particular facilities for technical education, vocational training and certain projects at the university level. As the possibilities for study and training at home are broadened, the incentive, indeed the need, for study abroad may to some extent be reduced, with a greater likelihood that the skills acquired will find their way into local professions, industries and government. In addition, we hope that over time the development of the physical infrastructure and of directly productive facilities, which is the object of the bulk of our lending, will provide in-

creased employment opportunities to attract and retain returning professionals.

Sincerely yours,

GEORGE D. WOODS.

EDUCATIONAL COUNCIL FOR FOREIGN MEDICAL GRADUATES,
Philadelphia, Pa., October 11, 1966.

Senator WALTER F. MONDALE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MONDALE: Thank you very much for your letters of September 9 and September 20, with which you sent me copies of your Senate speech of August 31 on "Brain Drain from Developing Countries," and your additional comments on September 9, 1966. I am naturally pleased that you found my article of sufficient interest to be printed in full in the CONGRESSIONAL RECORD.

You asked me for comments on your speech.

Your suggestion that there is great need for additional research, beginning in the last paragraph on page 20590, is a point that cannot be overemphasized. We know that large numbers of foreign physicians are coming to the United States each year, but we have no accurate knowledge of what the numbers are. The AMA has a count of the number of foreign graduates who are in approved internships and residencies in any given year, but no one has a count of the foreign physicians who are working in unapproved hospitals, or who are working as "clinical clerks" or "technicians" in approved hospitals. We do not know how many foreign physicians leave the country each year, nor how many return after an interval in some other country.

The numbers of foreign graduates in approved internships and residencies reported to the AMA each year probably represent a solid figure; the number of "foreign fellows" and the number of foreign graduates in other assignments, such as research, is probably an incomplete figure.

The only other solid figure that we have is the number of additions to the medical profession each year representing graduates of foreign medical faculties. This information is reported by the various State Boards of Medical Examiners to the American Medical Association, and is shown annually in the State Board Number of the Journal of the AMA the first week in June. In 1965, this figure was 1,488.

This is an interesting bit of foreign aid in reverse, representing an output equivalent to that of about 15 average-sized United States medical schools.

It seems to me that the federal government has a real responsibility to develop sound statistics which would at least give us a clearer picture of the situation.

Bilateral agreements with other countries would seem to offer some interesting possibilities, though as you suggest, there are certainly many problems to be surmounted.

We will watch with great interest the further developments of your activities in this field.

Sincerely yours,

G. HALSEY HUNT, M.D.,
Executive Director.

DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT,
Washington, D.C., September 23, 1966.

Hon. WALTER F. MONDALE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MONDALE: Thank you for your kindness in sending copies of your recent speech on the problem of "brain drain" to the Director and three members of the staff of the A.I.D. Office of International Training. After their careful reading and discussion of it, we wish to respond to your request for comments.

We are very pleased that you have added your voice so forcefully to those others who have been calling attention to the complex problem of the emigration of talent, especially from developing countries. As you pointed out in the first part of your address, this problem is one of which the Agency for International Development—and the Office of International Training in particular—is acutely aware. There are countries from which at least as many talented or skilled people may be "drained off" by the process you describe as we are training in the United States and in the other country. A.I.D.-sponsored participants, as you indicated, tend in very high proportions to return and fulfill their commitments; even for these, however, we lack figures on how many later emigrate to the United States or some other developed nation after they have fulfilled that commitment or satisfied the legal requirement to wait for two years before reentering the United States.

We believe your five action areas to be eminently well chosen. While much information on the problem was collected last year by the Interagency Council on International Educational and Cultural Affairs, of which A.I.D. is a member, we definitely need more research to confirm or perhaps adjust, our widely-held conviction of the seriousness of the problem and its harmful effects.

Your comments about the medical profession as one of the most critical areas is undoubtedly accurate; we are pleased to see the point made so unequivocally. Amelioration of this situation will require a strong and patient effort by the medical profession in the United States, among other actions. It is first necessary, however, that the profession be alert to and convinced of the problem that the brain drain causes for other nations, as well as the growing need for educational opportunities in medicine here at home.

Your suggestion that colleges and universities tailor their programs for foreign students to assure greater relevance to the needs of the students' developing nations is particularly appropriate. The A.I.D. Office of International Training arranges for U.S. placement of approximately 3,000 A.I.D.-sponsored students annually, and is currently exploring this question with many of the institutions with which we contract for such training.

Your fourth point, increasing opportunities for utilization of newly-acquired skills after return, reaches the core of the A.I.D. programs, especially as it relates to follow-up of our trainees. Your examples and suggestions in this area are very prevocative. In this connection, we are enclosing a copy of an unclassified airgram which was sent on August 4 to selected posts in countries which have been most seriously affected by brain drains. The airgram suggests certain actions that can be taken by other countries to help control the problem. Issued on the initiative of the Council on International Education and Cultural Affairs, the airgram was co-drafted by one of the officers of the A.I.D. Office of International Training to whom you sent your speech.

Concerning your fifth point, the negotiation of bilateral agreements with developing countries to modify the effect of U.S. visa and immigration policies, we agree with you that this would require great care and delicacy, in view both of our relations with these countries and the spirit of recent immigration legislation. We also agree, however, that this is an area which justifies exploration, especially by the Department of State; your suggestions clearly indicate areas of possible accomplishment, such as the use of Exchange Visitor visas for all students from particular countries.

We intend to give your remarks wide circulation and the most thoughtful study. They touch upon not only the brain drain problem but the whole subject of foreign students in this country and the problem and opportunity they present, even though the vast majority are not government-sponsored. Within the terms of our Congressional mandate, which emphasizes training for national development, the Office of International Training is engaged in some efforts along these lines that may be of interest to you. Officials of the Office would be pleased to discuss the programs with you and/or your staff at your convenience.

Thank you for your interest in this matter. Please let us know when this office can be of service.

Sincerely yours,

WILLIAM C. GIBBONS,
Director, Congressional Liaison.

NATIONAL SCIENCE FOUNDATION,
Washington, D.C., September 22, 1966.

Hon. WALTER F. MONDALE,
U.S. Senate, Washington, D.C.

DEAR SENATOR MONDALE: Thank you for your letter of September 9 enclosing a copy of your speech on the subject of the "brain drain." Your statement very well portrays the complicated issues involved in this problem.

As your speech so clearly shows, the issue is not one of black and white. It is rather one of balancing advantages and disadvantages. Emigration frequently provides creative opportunities to a scientist which do not even exist in his own country. For example, the theoretical physicist, Dr. C. N. Yang, probably would never have performed the research in his native China which won him the 1957 Nobel Prize in Physics. On the other hand, a foreign engineer employed by an American construction company might make an infinitely greater contribution to the economy of his native country than to the U.S. In many ways the stimulus for international migration does not differ much from that for the regional mobility that is so prevalent within this country.

The "brain drain" has always existed in one form or another. You perhaps have seen Steven Dedijer's article in Science for June 30, 1961 which pointed out that Daedalus of ancient fame in aviation design was an expatriate inventor attracted to Crete and Sicily. Count Rumford, one of the most eminent scientists of American origin, of course became famous in Europe after leaving this country. Prior to World War I, many American scientists were trained in Europe, especially Germany, and it is probable that some of them at least never returned. The loss of some of America's humanists to the Continent is less frequently noted, perhaps because in a sense we never lose those who contribute to the arts and literature.

It is certainly true that the migration of scientific and other professional personnel frequently constitutes an economic loss to their native countries. Such migration may be particularly detrimental when the most able and creative professionals are involved. Perhaps the loss is most serious in the applied field of technology, medical practice, or education. Scientists, who engage in basic research and publish their findings, are also in a sense not lost to their native countries if the results of their work are generally available to the scientific community.

As one who has tried to secure a better understanding of the scope and nature of such migration, I certainly subscribe to your thesis that a first step is expansion of research on the problem. In this connection the tabulation of data from the alien registration administered by the Immigration and Naturalization Service would be a big and relatively inexpensive step in this direction. Such data could provide annual information on foreign nationals in this country in terms of numbers, occupations, native countries, and visa status. Until more information is available, the Government should be cautious in trying to regulate such movements for the benefit of developing

countries since whether a given case is detrimental must necessarily rest upon a value judgment based on the circumstances of a given occupation, native country, work activity, and time.

The only permanent solution of the situation, I would think, is the strengthening of those social and economic institutions within a country which will permit the development of opportunities sufficiently challenging to attract and retain talented youth. As I understand your fourth approach, you have in mind the encouragement of such efforts by both our public and private agencies. I suspect we need to know considerably more about the results of such efforts as the Indian Scientists' Pool, the Iranian foreign student program, the development of national universities in developing countries, and the like before we really know what to endorse. The developing nations are the products of diverse indigenous societies, overlaid by colonial political and economic factors, and now accelerated (sometimes near to intoxicated) by modern thinking. Again more and better information on motivation and social behaviors would be extremely useful.

The Annals of the American Academy of Political and Social Science will shortly publish a special issue featuring immigration trends. On the chance that you will be interested, I will forward a reprint of the chapter, "Scientific Personnel and the Professions," which I prepared for the Annals, as soon as it is available. I appreciate very much the opportunity to comment on your proposals.

Sincerely yours,

THOMAS J. MILLS,
Head, Sponsored Surveys and Studies Section, Office of Economic and Manpower Studies.

DECLARATION OF CERTAIN PORTIONS OF NEWPORT HARBOR, R.I., AS NONNAVIGABLE WATERS

Mr. PELL. Mr. President, I introduce, for appropriate reference, a bill declaring certain portions of Newport Harbor, R.I., to be nonnavigable waters of the United States within the meaning of the Constitution and laws of the United States.

This bill is necessitated by the fact that Goat Island, a former Navy facility in the harbor, has been transferred to private hands for development as a marina. The waterway separating the island from the mainland, previously used by naval vessels docked on the island, now will assume a different character and the marina facility will encroach on the presently authorized Federal channel. Accordingly, Federal legislation is now required to permit abandonment of portions of the Federal channel and thus facilitate the marina development which is of great interest to the city of Newport.

The legislation which I introduce today has been review in draft by the interested parties and thus represents, I believe, an accurate consensus of the action which is needed at the Federal level. Although it is, of course, too late to act on the measure in this session of Congress, I introduce the measure at this time so that printed copies may be circulated and early action may ensue in the 90th Congress.

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

The bill (S. 3908) to declare certain portions of Newport Harbor, R.I., to be nonnavigable waters of the United States, introduced by Mr. PELL, was received, read twice by its title, and referred to the Committee on Public Works.

SUSPENSION OF INVESTMENT CREDIT AND ALLOWANCE OF ACCELERATED DEPRECIATION ON CERTAIN REAL PROPERTY—AMENDMENTS

AMENDMENTS NOS. 960 THROUGH 962

Mr. WILLIAMS of Delaware submitted three amendments, intended to be proposed by him, to the bill (H.R. 17607) to suspend the investment credit and the allowance of accelerated depreciation in the case of certain real property, which were ordered to lie on the table and to be printed.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

Mr. PROXMIRE. Mr. President, I ask unanimous consent that at the next printing of S. 3888, a bill to establish a periodic Executive Organization Review Commission, the name of the distinguished Senator from Pennsylvania [Mr. CLARK] be added to the list of cosponsors.

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

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the next printing of the bill, S. 2916, to provide for a weather modification program to be carried out by the Secretary of Commerce, the name of the Senator from Colorado [Mr. DOMINICK] be added as a cosponsor.

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

Mr. McCARTHY. Mr. President, I ask unanimous consent that the name of the Senator from Kansas [Mr. PEARSON] be added to the list of cosponsors of Senate Joint Resolution 85, the joint resolution I introduced proposing an amendment to the Constitution relative to equal rights for men and women, and that his name be listed among the sponsors at the next printing of the joint resolution.

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

HEARINGS ON MULTIDISTRICT LITIGATION BILL (S. 3815)

Mr. TYDINGS. Mr. President, as chairman of the Judiciary Committee's Subcommittee on Improvements in Judicial Machinery, I wish to announce hearings for the consideration of S. 3815, a bill to provide for the temporary transfer to a single district for coordinated or consolidated pretrial proceedings of civil actions pending in different districts which involve one or more common questions of fact, and for other purposes.

The hearings will be held at 10 a.m. on Thursday, October 20, and Friday, October 21, 1966, in the Ceremonial Courtroom, Federal Courthouse, Chicago, Ill. The reason for holding hearings in Chicago is that the leading experts on the problems of multidistrict litigation are located there. The Coordinating Committee for Multiple Litigation of the Judicial Conference of the United States has its office and staff there, and a variety of judges and lawyers experienced in the problem will be available.

Any person who wishes to testify or submit a statement for inclusion in the RECORD of this hearing should communicate with the Subcommittee on Improvements in Judiciary Machinery, room 6306, New Senate Office Building.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, October 13, 1966, he presented to the President of the United States the following enrolled bills:

S. 405. An act for the relief of Gabriel A. Nahas and Vera Nahas;

S. 1275. An act to authorize and direct the Secretary of the Treasury to cause the vessel *Elva L.*, owned by Harold Bunker, of Matincus, Maine, to be documented as a vessel of the United States with coastwise privileges;

S. 1310. An act relating to the National Museum of the Smithsonian Institution;

S. 1375. An act providing a method for determining the amount of compensation to which certain individuals are entitled as reimbursement for damages sustained by them due to the cancellation of their grazing permits by the U.S. Air Force;

S. 2106. An act for the relief of Dr. Jose Josquin Diaz;

S. 2457. An act for the relief of Jorge Ajbuszyc Volsky;

S. 2587. An act for the relief of Dr. Hilda W. Perez de Gonzalez;

S. 2640. An act for the relief of Dr. Guillermo Rodriguez;

S. 2738. An act for the relief of Dr. Ezzat N. Asaad;

S. 2739. An act for the relief of Dr. Blanche L. Asaad;

S. 2761. An act for the relief of Dr. Julio Sangully, Jr.;

S. 2771. An act for the relief of Hazel Louise Schuman;

S. 3035. An act to establish a program for the preservation of additional historical properties throughout the Nation, and for other purposes;

S. 3106. An act for the relief of Dr. Alberto L. Martinez;

S. 3238. An act for the relief of Miss Matsue Sato; and

S. 3809. An act to authorize the Public Printer to print for and deliver to the General Services Administration an additional copy of certain publications.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3314) to require premarital examinations in the District of Columbia, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9985) to provide for the mandatory reporting by physicians and hospitals or similar institutions in the District of Columbia of injuries caused by firearms or other dangerous weapons.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10304) to provide for the mandatory reporting by physicians and institutions in the District of Columbia of certain physical abuse of children.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13448) to amend title 39, United States Code, with respect to mailing privileges of members of the U.S. Armed Forces and other Federal Government personnel overseas, and for other purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 1375. An act providing a method for determining the amount of compensation to which certain individuals are entitled as reimbursement for damages sustained by them due to the cancellation of their grazing permits by the U.S. Air Force;

S. 2106. An act for the relief of Dr. Jose Joaquin Diaz Franquiz;

S. 2739. An act for the relief of Dr. Blanche L. Asaad;

S. 2771. An act for the relief of Hazel Louise Schuman Strunk;

S. 3035. An act to establish a program for the preservation of additional historical properties throughout the Nation, and for other purposes;

S. 3238. An act for the relief of Miss Matsue Sato;

S. 3809. An act to authorize the Public Printer to print for and deliver to the General Services Administration an additional copy of certain publications; and

H.R. 17787. An act making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Atlantic-Pacific Interoceanic Canal Study Commission, the Delaware River Basic Commission, the St. Lawrence Seaway Development Corporation, the Tennessee Valley Authority, and the Water Resources Council, for the fiscal year ending June 30, 1967, and for other purposes.

A VISIT TO WASHINGTON

Mr. FULBRIGHT. Mr. President, Mr. Ronald Steel, one of the most astute observers of public affairs, recently returned to Washington after an absence of 2 years. I believe his impressions will be of interest to the Members of the Senate. Therefore, I ask unanimous consent to have an article written by him entitled "A Visit to Washington," and published in the New York Review of October 6, 1966, printed in the RECORD at this point.

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

A VISIT TO WASHINGTON

(By Ronald Steel)

Two years away, and Washington seems strangely metamorphized, like a cocoon that instead of giving birth to a butterfly has, in one's absence, produced a frog. In the fall of 1964 it seemed likely that the promises of Kennedy could be redeemed by the energies of Johnson, that the neglected nation might still become a Great Society, and the accidental involvement in Southeast Asia could be quietly liquidated with a vague diplomatic agreement and a few well-chosen words. The long-awaited and long-neglected reform of the American society seemed finally at hand. The interventionist style of the Kennedy administration appeared tempered by the quiet pragmatism of its successor. There was a feeling of renewal and expectation: a belief that although much was difficult, nothing was quite impossible. Washington was on the verge of recognizing that if it had no answers for the world, it at least knew what to do for itself.

That optimism has faded. The quest for "excellence" at home has been subsumed by the pursuit of grandeur abroad. The rebuilding of our cities, the reform of an outdated social structure, the re-cementing of a fractured society—these urgent national needs have once again been pushed into second place by the demands of an ideological war. Perhaps this was inevitable. Perhaps this war, and the methods used to wage it, were pushed upon us by an uncooperative foe and the demands of an implacable destiny. Perhaps America's role, as Prince Sihanouk of Cambodia said a few weeks ago, is to "spread war and ruin everywhere"—in the name of a higher moral order. If so, we have little choice but to live with the consequences of this role—until we should choose another one for ourselves.

But this was not the role America seemed ready to embark upon only 2 years ago. Then Lyndon Johnson, the voice of compassion and restraint, was blasting the folly of a Presidential candidate who sought to win the war in Vietnam by bombing the North and napalming the South. What provocation, what madness, what futility. One could hardly take the Goldwater proposals seriously—until they were adopted a few months after the election by the President himself. Maybe this, too, was inevitable. But a visitor who has been away from the capitol and from the country, between the Presidential campaign of 1964 and the midterm elections of 1966, cannot help but feel that something rather strange has happened in the interval.

What has happened, of course, is that a minor skirmish in Vietnam involving a few thousand American advisers has turned into a major American war which has preoccupied the administration and is draining energies that might otherwise be employed elsewhere. Washington is a city obsessed by Vietnam. It eats, sleeps, and particularly drinks this war. There is virtually no other subject of conservation worthy of the name, and no social gathering or private discussion that does not inevitably gravitate toward the war. Never, one feels, has a war been so passionately discussed, so minutely examined, so feverishly followed—and so little understood—as the war in Vietnam. People who can rattle off the number of infiltrators who cross the border every week, or the names of village chieftains and Buddhist priests, do not seem to have any clear idea of how we got into this war, or exactly what it is we hope to accomplish.

Constituent assembly—50 million tons—Thich Tri Quang—Can Ramh Bay. This is the face of Vietnam as reflected through the mirror of Washington. A dazzling interplay of names and numbers, of departed politicians and aspiring generals, of anonymous enemies killed and unknown villages "reclaimed," of napalm dropped and harbors built, of bridges destroyed and battalions infiltrating through the jungle. Anonymous enemies indistinguishable, at a bomber's height of 30,000 feet, from our anonymous friends. Anonymous concepts like "voting," "democracy," and "self-determination" which take on—in the metallic offices of the government bureaucracy or in the Danish modern sophistication of a Washington cocktail party—an abstract quality. Vietnam, one feels, has become not so much a place as a way of thinking. "What happens in South Vietnam," an administration official told me rather portentously, "will determine the fate of Asia for the rest of this century. With stakes like that, we can't afford to back out."

A skeptic might be more receptive to the arguments in favor of this war if they were presented with less passion and more reason, if it were possible to feel that beneath the morass of figures and platitudes the administration had a really clear grasp of issues—that it knew exactly where it was going and why it had taken this particular path to get there. But it has not had the time, or the aptitude, or perhaps the understanding to explain this war in terms that could reconcile it with traditional American values. As a result, it has lost the support of much of the nation's intellectual community. This has bred the crisis of confidence that has been the undoing of governments in other democratic countries and which may yet threaten this one. Anyone who was in France during the long agony of the Algerian war would not be totally out of place in today's Washington. He would find the same impassioned commitment by government officials, the same promise that the fighting was in its "last quarter hour," the same baffled acquiescence by the population, the same revolt of the intellectuals, and the same gradual erosion of confidence by the people in their government. Maybe "it can't happen here"; but it has happened in too many other places for anyone to be sure.

This sense of isolation on the part of the high officials of the administration leads to a good deal of testiness and unwillingness to engage their critics in serious discussion. In the best of times governments do not tolerate criticism easily, but this is an administration which has come to equate dissent with ignorance, or even worse, disloyalty. This is a city of closed minds, where the lines are so tightly drawn that neither side is willing to give the benefit of the doubt, or even at times a modicum of courtesy, to its opponents. There is little about this war that merits sanctimony, but this seems to have become the only emotion left to those who equate opposition with ignorance or evil. Even such favorites of the intellectual Establishment as Walter Lippmann and Senator FULBRIGHT find themselves isolated and reviled by the administration—their arguments automatically discounted for no other reason than that they are in conflict with the current line. "Those people," a State Department official told me, "don't understand what this war is all about. So why should we pay any attention to them?"

Maybe the administration is right and all its critics are wrong. Maybe Ho Chi Minh is a new Hitler and the fate of Asia will be determined by what regime rules Saigon. But the argument has tended to be more abusive than enlightening, more concerned with magic formulas and high-sounding phrases than with convincing analyses of what the alternatives really are. The administration would clearly like to extricate itself from a war which is bringing no credit to itself or to the country. Yet it is not willing to accept a settlement which would allow the Vietcong to play a major role in a neutral government. This, in its eyes, would constitute a victory for Peking's doctrine of "wars of national liberation" and would thereby provide the signal for similar guerrilla actions throughout the underdeveloped world. Vietnam is not so much important for itself as for what it symbolizes. With the stakes so high, the administration believes that it has no choice but to fight this

war through to the end. Hopefully, the end would be a negotiated settlement in which the North, in Dean Rusk's memorable phrase, would "stop doing what it knows it's doing," and abandon the Vietcong.

This is the official rhetoric of the administration: a negotiated truce. But in Washington the talk centers more on "victory" than on negotiations, and the administration seems increasingly committed to the belief that the war in Vietnam can be "won" without any concessions to the Vietcong or any formal agreement with the North. "This war can be won on the battlefield," an administration official told me, "and with half a million American troops we don't have to accept any compromise settlement with Ho Chi Minh." Despite the mounting figures of American casualties and South Vietnamese army desertions, the talk in Washington is of victory—without the help of the South Vietnamese if necessary, and without a war with China.

Deeply committed to this war which preoccupies so much of its energies, the administration has not only been exceedingly impatient with its critics, but has shown a disturbing tendency to use its vast powers over public information to convey an impression favorable to its own interpretation of events. "Managed news" first became an issue during the Bay of Pigs landings, when an embarrassed Kennedy administration tried to put a favorable face upon a fiasco. But this administration, involved in something far more serious than a bout with Castro, has shown an even greater willingness to manipulate the news for its own purposes. Some suppression of the news is inevitable during a war, and no government can be expected to tell the whole truth where military security is concerned.

What is troubling about the Johnson administration is not that it keeps military secrets from the press, but that the information it gives out is often erroneous and deliberately meant to deceive. In Vietnam the Pentagon's information policy has been under persistent attack by journalists, and there is now a growing belief that the Tonkin Gulf incident—which the President used to obtain a blank check from Congress for waging the war—was, if not entirely fabricated, almost certainly provoked by the U.S. government. Whatever the merits of the war, this is not a policy which can be shrugged off lightly, for it is central to the whole concept of government by consent. An administration which deliberately manipulates the press and the Congress thereby manipulates the people as well. Whatever this may be, it is not democracy as it is understood by Americans.

Nor is this policy one which is confined to the Pentagon and to military operations. It has now, apparently, been taken over by the State Department and applied to such theoretically academic matters as diplomatic history. Recently a *New York Times* reporter, as a result of some private sleuthing, discovered that the State Department's White Paper on Franco-American relations—and particularly the exchange of memos between De Gaulle, Eisenhower, and Kennedy on the question of France's request for greater European participation in NATO decision-making—had deliberately omitted key documents in an effort to bolster the U.S. position. Even the archives, it seems, are not safe from news management on the part of an administration overly zealous to prove that it can never be wrong.

Just as Vietnam dominates official, and even unofficial, Washington, so it also dominates any reporting about Washington. This is inevitable, and it is also unfortunate, for it drains away energies that are desperately needed for other, and even more pressing matters. "Were it not for this Vietnam thing," one of the nation's most outspoken journalists said to me, "I'd be able to write about the real crises—about poverty and civil rights and the cities. But as it is I have to—we all have to—write about the war, while everything else collapses around us."

A returning visitor to Washington might not, at first glance, feel that everything else was collapsing. During the past two years this rather patchy, cozy, provincial town has acquired a patina of progress—as we define that abused term. The obligatory Hilton has finally been finished, some handsome new buildings have sprung up along Connecticut Avenue, two quite splendid round structures have erupted in the neo-Roman shadow of the State Department, and the Southwest development project offers an impressive example of the possibilities of urban renewal.

But progress in Washington, like anywhere else, is not measured in tons of concrete poured. While flashy new buildings have gone up for affluent labor unions, giant corporations, and the upper-middle-class federal elite, hundreds of private dwellings have been torn down and thousands of people displaced—most of them the silent poor. The charming row houses of Foggy Bottom have disappeared almost overnight, to be replaced by the ugly scar of a super-highway which speeds commuters out of the dormitory suburbs of Virginia every night at five. The Washington public school system, at the mercy of a Congressional committee dominated by white Southerners, has virtually broken down, and the students, 90 per cent of whom are Negroes, receive an education which enables them to aspire to the level of gas-station attendant or elevator operator.

In this first American city to have a Negro majority, the problems of the American metropolis can be seen in classic form: a core city of office buildings and department stores, a white enclave of fashionable town houses and high-rise apartments, a mushrooming suburban ring for middle-class white families, and a continually expanding slum area of Negroes alienated from white society and increasingly hostile to a system which keeps them perpetually on the bottom.

This is the other Washington, the Washington that the tourist rarely notices but that every American is coming to see reflected in his own city. This is urban America, where elegant office buildings and apartment houses conceal the breakdown of public services, where expressways speed commuters away from the city problems they help create, where overcrowded and understaffed schools are unable to educate young Americans for the jobs demanded in tomorrow's world, where social disintegration has become the handmaiden of material progress, and where whites and Negroes face each other sullenly over a widening chasm of misunderstanding and fear. Two years ago it was possible to dismiss much of this as growing pains, to believe that the ideals of the Great Society and enormous infusions of federal funds could heal the scars in American life.

Today it is difficult to be so optimistic. A society grown powerful in the belief that all problems are solvable, that such phenomena as defeat and tragedy need never touch this nation, is now finding its assumptions challenged and its institutions put to a terrible test. "I'm not so much worried about Vietnam," a distinguished Senator confessed to me, "as I am about America. I wonder what's going to happen to us if we can't even achieve at home some of the ideals we're trying to pursue abroad." Such fears are beginning to trouble many people in Washington, nettling the brain like the jets that now whine over affluent Georgetown and clouding over the heroic rhetoric of the war with nagging questions about the viability of the American society. The mantle of imperial Rome, while it has intrigued some people in the suburbs of the White House, still rides uneasily on the shoulders of today's Washington.

HIDE PRICES DROP AGAIN

Mr. McGOVERN. Mr. President, on October 6 I advised the Senate of the 35-percent decline in hide prices which has occurred over the last 3 or 4 months, inserting in the RECORD Chicago hide price tables for July 6 and September 28. They appear at page 25452 in the RECORD for October 6.

I have just received the quotations for the week of October 5 and find that heavy native steer hides have dropped another 10 percent, or about 1½ cents per pound. The quotation for the week of September 28 was 16 to 16¼ cents per pound. Last week they were down to 14¾ cents per pound.

I ask unanimous consent, Mr. President, to put the Chicago Hide and Skin Price Report as of noon October 5, which contains a comparison of the previous week's prices, in the RECORD.

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

Chicago hide and skin prices as of noon, Wednesday, October 5, 1966

	This week	Last week
PACKER HIDES		
Heavy native steers	14½-14¾	16 -16¼
Light native steers	17½-17¾N	17½-17¾
Extra light native steers	18½-18¾N	18½-18¾
Heavy native cows	15	15¾-16N
Light native cows (nor.-Chgo.-Riv.)	16¼-17¾LT	17 -17¾T
Light branded steers	16½-16¾N	16½-16¾N
Extra light Texas steers	17½-17¾N	17½-17¾N
Butt branded steers	13½-13¾	14½-14¾
Colorado steers	12½-12¾	13½-13¾
Branded cows	14 -14¼A	14 -14¼T
Native bulls	11 -11½N	11½-12
CALFSKINS		
Pkr. Nor. light (under 9½ pounds)	51½LT	51½T
Pkr. Nor. heavy (9½ to 15 pounds)	47½LT	47½T
Pkr. Riv. light (under 9½ pounds)	51½N	51½N
Pkr. Riv. heavy (9½ to 15 pounds)	47½N	47½N
	Northern-rivers	
KIPSKINS		
Pkr. (15 to 25 pounds)	39LT	39T
Pkr. (25 to 30 pounds)	37LT	37T

MAJ. PETER KAMA IN VIETNAM

Mr. FONG. Mr. President. It is heartwarming to read stories of our brave soldiers in Vietnam who are doing more than is required of their military obligations. I am always impressed by the sacrifices that our gallant men are making—both in the war of the battlefield and in the other war against human misery. Their courage and resourcefulness have done wonders in Vietnam.

Some of these men have gone way beyond the call of duty to help the Vietnamese build and rebuild their wartorn society. Besides being their protectors, these men have proven themselves to be the friend of the refugee, the sick, the injured, and the orphaned.

Maj. Peter Kama, of Maili, Oahu, who is attached to the 25th Infantry Division base camp at Cu Chi, is one of these extraordinary soldiers whose activities I wish to call to the attention of my distinguished colleagues. Because of his outstanding performance as an American officer in Vietnam, I ask unanimous consent that the article appearing in the October 7 issue of the Honolulu Advertiser describing Major Kama's activities in Vietnam be printed in the RECORD at this point.

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

OAHU MAJOR "BUILDS" VILLAGE WHEN HE'S NOT BATTLING CONG

(By Denby Fawcett)

CU CHI, VIET NAM.—This strange war: artillery booms in ear-shattering intervals 1,000 yards from a hamlet where a soldier is passing out sacks of rice to hungry families.

A GI hunting Viet Cong may be hauled from his squad and assigned to a village as an English teacher, or as a political adviser, or social worker. Or, even all three at the same time.

Such a man is Maj. Peter Kama, of Maili, Oahu, who at 31 is one of the youngest majors at Cu Chi, the 25th Infantry Division's base camp.

Kama was operations officer for the 2nd Battalion, 14th Infantry, 1st Brigade until July 22.

He was accustomed to spending between 10 and 20 days sleeping on a poncho in the field while planning and participating in daring, unorthodox operations against the Viet Cong.

Now he is civic actions officer for Headquarters Support Command of the 25th at Cu Chi.

His wife, Ursula, and their two children live at Maili. He is an alumnus of the Kamehameha Schools.

"In one area I was planning to kill efficiently and in this area we plan to build efficiently," Kama said.

"Killing Viet Cong is like pulling weeds out of a garden. It's necessary.

"But in order to have a garden one must plant seeds and take care of plants.

"I liken the people of Viet Nam to the plants. We're taking care of them and helping them bloom."

Efficient building is carried out by Kama during his daily visits to Bac Ha I, which he calls "my village."

It's a hamlet siding the perimeters of the base camp and inhabited by 12,500 Roman Catholic refugees who fled to South Viet Nam from Hanoi in 1954.

He gives oral English classes twice a week to 100 students at the hamlet grammar school. His fluent command of Vietnamese helps.

He distributes about $460 a month to the hamlet from the Support Command led by Col. Herbert S. Lowe, whose wife lives at Schofield Barracks.

Kama also has taken to giving money to the hamlet school out of his own pocket.

He donates about $40 a month for tuitions. "Too much," he said. "But it saves a lot of paper work."

Distributing items from the 25th's "Helping Hand" program also falls among his duties.

Two sewing machines donated by the people of Hawaii were delivered recently to a sewing class that is part of a trade school Kama helped start in Bac Ha.

Fifty students between 9 and 17 attend the class every afternoon. They are taught embroidery and dress making.

They are sewing on pieces of torn sheets and could use some simple patterns for children's and young people's clothes.

Also being planned for the trade school are a leatherwork shop, a nursery and a home economics course.

Another part of Kama's program is simply getting to know the people of Bac Ha.

He eats lunch everyday in the refectory of the hamlet church with Father Tran Van Phan, the spiritual leader of the community, and other villagers.

At times, the repasts will pay off in intelligence that is later passed on to the combat troops.

A group of popular forces soldiers guarding Father Phan's home told Kama about a group of Viet Cong that had been slipping into Bac Ha to rest in sacks the villagers had deserted a few years ago.

After lunch Kama relayed the information back to the base camp where it was used later to plan an operation.

When asked about the Viet Cong who are known to benefit from the schools and medical facilities provided for Bac Ha through the 25th's civic action program, Kama merely shrugged his shoulders.

"So what? The Viet Cong aren't corrupting the villagers here. In most cases the villagers are corrupting them."

GRASSROOTS GOOD GOVERNMENT REFORM

Mr. MUSKIE. Mr. President, no other sector of public life in this Nation is more in need of the attention of the average citizen than the quality of its State and local governments. This is the area of goverment which is growing the fastest, which is employing a higher percentage of civil servants, and which most directly affects the lives—and the pocketbooks—of most of our citizens. Every taxpayer and voter ought to take an interest in the competence and dedication of those who are charged with carrying out public policy. Good government just does not "happen"; it is the result of the conscious and involved effort of the people it serves.

No one knows this better than the National Civil Service League, which was born of protest against the patronage and spoils system of the "Gilded Age" and which, for the past 85 years, has been in the business of promoting good government.

The present crisis in State and local government—the crisis in competency—is viewed by the league as seriously as that which sparked its formation in the 1880's and the league has responded to this new crisis with the same fervor and dedication that moved such early leaders as Carl Schurz, Richard Henry Dana, Charles Eaton, and Theodore Roosevelt to dedicate themselves to a system of competence and merit.

The league's response to this "crisis of competence" is a proposal to institutionalize a nationwide citizen movement to bring about public service reform. Its pamphlet "Grassroots Good Government Reform" was recently forwarded to me, and I should like to share this potentially important document with other Members of the Congress. The goals outlined in the league's presentation are entirely commendable, and are so important as to require the attention of every Member of Congress, as well as every citizen. I hope it will be thoroughly studied, and that it will generate widespread citizen concern throughout the Nation. I ask unanimous consent that the pamphlet "Grassroot Good Government Reform" be inserted at this point in the RECORD.

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

GRASSROOTS GOOD GOVERNMENT REFORM

(Prepared by the National Civil Service League)

This is a proposal to institutionalize nationwide citizen action for improvement of the quality of state and local governments. It is a plan to provide leadership and coordination where there is a desire for citizens' better government organizations and it is a plan to expand and service existing groups.

PUBLIC SERVICE REFORM FOR THE SIXTIES: THE PROBLEM

Today there is a crisis in government that is as much a threat to state, county and local governments as the spoils and patronage crisis of the 1880's was to the Federal Government. It is the crisis of competence.

The fastest growing sector of government is the state-local one and it has become the most dynamic part of the American economy—whether measured by the growth rate of expenditures, the purchase of goods and services, or growth in numbers of employees.

The strain of this growth on public services is being documented by an increasing number of manpower and personnel studies. Archaic management methods and ill-structured personnel systems are not being replaced quickly enough or even at all. Spoils and patronage systems continue to militate against efficient and effective public service. Even when there are well-planned organization structures or civil service systems, state and local governments cannot find enough qualified, industrious and skilled employees. When such employees are found, they often soon are discouraged by intolerable working conditions or personnel policies. Most state-local governments suffer from a combination of these above ills.

Concomitant with and, in fact, contributing to these problems, are either citizen apathy or frustration and, at best, non-involvement in state-local problems.

MEETING THE PROBLEM: NEEDS

Some progress by a few state and local governments has been recorded. A few states are revising their state constitutions and personnel systems. Some interest has been evidenced recently in administrative reorganization. Yet, despite these hopeful trends and a wealth of theory and knowledge with which to combat the crisis of competence, there is no large-scale, nationwide effort to catch up to or keep pace with the rate of growth and its subsequent problems.

A necessary prerequisite to large-scale improvements in state and local government is citizen support. To gain the citizens' interest in government, laudable efforts are being made, for instance, to increase the quality and quantity of press reporting of local government. Other enterprises are directing attention to the contributions the educational systems can make to citizen knowledge of and concern with state-local governments.

These and other efforts directed at the general population should be augmented with planned, organized and directed group action. The importance and effectiveness of citizen activists working through associations on national issues is apparent. Some successes of group action on a state-local level have been recorded, although they have not been as effective as have national efforts. However, the main organized interest in public employment and personnel policies in government has been largely pre-empted by professional organizations of people who work for government and by unions of government employees. Other special interest groups also

fill the vacuum of group interest in issues of public administration. There is no broad based and effective "citizens lobby" to improve government. The result has been to remove the citizen from or prevent his access to direct interest and participation in the process of public administration.

A "citizens' agenda," with good government priorities effectively represented in a coordinated and on a widespread basis, is basic to improving the efficiency, economy and quality of state-local government. Here are some of the general areas of crucial concern which need to be the priorities of local action groups:

There is a need to examine the processes by which the public service is governed, to identify the weaknesses in organization and administration, and to propose remedies aimed at improving efficiency of operation.

Those factors and forces in personnel systems tending to foster mediocrity and stifle initiative must be vigorously attacked.

The role of the independent civil service commission needs to be re-evaluated in the light of modern requirements and in consideration of the responsibilities of the chief executive for the management of government.

The role and compensation of the executive in government must be addressed with a view to encourage able people to hold public posts and function creatively as effective decision makers.

Means must be devised to solve the conflict-of-interest dilemma that impairs our ability to attract and retain top quality government officials.

The current, and largely false, image of the public service must be changed in order to attract and retain top quality employees.

There remains a need to re-examine and expose the consequences of patronage systems where state and local employees are still not covered by merit systems.

It is necessary to examine the impact of unions in government and their effect on management brought about by the formal recognition of nearly a million organized Federal employees in the last two years and by unionization of almost a million state and local employees within less than a decade.

The current civil rights crisis calls for a critical examination of civil rights in public employment and study of how the merit principle can be preserved while accommodating our social responsibility to minority groups.

Contracting out of government services has increased to such a degree that it requires careful scrutiny as to its implications for the maintenance of sound standards of public employment.

MEETING THE PROBLEM: RESOURCES FOR REFORM

The chief resource for combating the crisis of competence in state-local governments is people—people active in the community. There is a general absence of effective group action and participation in state-local governments, but this is not to suggest there are *no* groups or that there is a lack of interest in improving state-local government. Despite widespread apathy there is a pool of latent citizen concern in almost every locale. There are degrees of concern and levels of those concerned. Many governors, mayors, legislatures, commissions, scholars and private and public institutions have proposed, prescribed, suggested or demanded reorganizations of governments and modernization of personnel systems. Citizens groups, such as the League of Women Voters, have expressed concern or have engaged in various local reform attempts and successes.

Lack of success has been due chiefly to the lack of coordination. The League of Women Voters, for instance, has usually had the membership and channels to governmental decision-making, but an ineffective model law or proposal. The university professor has the model law or knowledge to draft effective proposals, but no political or organizational support. The Council of State Governments and other similar clearinghouse organizations have some proposals, but not the apparatus for local political and organizational assistance. Many local organizations have proposals, but do not have the organizational ability. Few, if any, of these have at their fingertips the very specific, expertly developed and objectively presented policy guides and proposals in the crucially important area of personnel administration that lie at the heart of government administration.

What is needed is a means of developing these and other resources for reform. Providing for and coordinating substantive, specialized information on a national level—the function of clearinghouses—is a service which needs to be provided in greater depth and breadth than is presently done. Another means is to generate research from which realistic and substantive guidelines for good government can be drawn. Both of these services can and should be expanded for service to state-local citizen participation for better government.

There is a third and more direct means of developing resources for reform. This is providing a national center for action—one which supplies direct organizational information and assistance to state-local citizen groups. This is a function that is greatly needed on a national scale.

The National Civil Service League and reform resources

The history of the National Civil Service League is unique among citizens' organizations in its relation to the tradition and spirit of reform. This spirit has dominated important periods of American history and has inspired great movements which led to better government. The League was born in one of the great ages of reform. Its leaders, its policies and its history have been consistently in the spirit of reform. Indeed, the League's history testifies both to the strength of this spirit when combined with realistic, organized action and to its weakness when not tied to effective organization.

In addition, the League has a long record as a clearinghouse of information, as a center of action and as a generator of research and policy for citizens' good government groups. These three functions and how the League can perform them more effectively is the subject of this section.

CLEARINGHOUSE FOR ACTION

League action assistance to citizen groups has come in the form of affiliation and direct organizational guidance. This has been characterized by lending League history, tradition, name and national status, and by giving direct advice and assistance from its staff members and officers.

That there is a need for, interest in, and effective method of organizing state-local groups for civil service reform in the 1960's is established by recent dramatic successes the League has had in pilot programs. Beginning with indication of interest from citizens who knew of the League, it undertook modest efforts within its limited means to provide such assistance as it could. The response was both gratifying and indicative of what might be done with greater effort.

Within the past two years, the League has affiliated three local active groups. The first of the affiliates is in Pennsylvania. There a group of citizens representing various organizations, assisted by the League, led a dramatic and successful effort to broaden the state civil service merit system. This group, the Pennsylvania League for Civil Service, is developing long-range programs to improve efficiency in state and local public service and short-range programs to organize citizen interest in good government. The League is giving the maximum support possible to its programs.

The second new League affiliate, Citizens for the Advancement of Public Service (CAPS), is in Massachusetts. It has been and is carrying on a vigorous campaign within the state to strengthen government management and improve civil service. It has already achieved approval from the state for a broad, blue ribbon study and reform of Massachusetts' archaic civil service structure. The League is increasing its assistance to this group.

The third group is in Louisiana. With the assistance of the National Civil Service League, the Louisiana Civil Service League has grown into an effective grassroots organization from a group of civic, business, professional and educational leaders. Twice it has successfully challenged the spoils system in Louisiana and it continues to expand and enhance the merit system principle which the Louisiana and National Civil Service Leagues had previously helped establish.

GUIDANCE MATERIALS

As a clearing house of information and as a generator of research and policies, the National Civil Service League has initiated and maintained its direct assistance to local reform movements. The materials used have provided the communications, coordination and substantive and organizational information necessary for successful and institutionalized local action. Some of these tools are:

1. *Citizens' Guidebook.* The League has prepared a citizens' guidebook to state and local government, *How to Get Better Government, A Citizens' Guidebook to Action,* by H. Eliot Kaplan. The generous support of the Murray Seasongood Good Government Fund and the League's Board of Directors has made this possible. The guidebook, prepared in cooperation with the Public Affairs Council and authored by an outstanding expert on civil service matters, is a citizens' action guide for those who would improve the management of public service in state-local government. The booklet points out those areas of public service which most need citizen attention; gives advice on how to organize citizens' group and conduct campaigns to improve factual information on contributions made by public servants; and includes case histories of citizens' organizations that have effectively advanced good government.

Twenty thousand guidebooks have been distributed to press and media leaders; a select opinion leadership group; state governors, civil service commissioners, national government civic and professional organizations, national health and welfare organizations, professional associations, state education commissioners, schools of public administration, unions, and foundations; mayors and personnel directors of large cities, chambers of commerce, and National Civil Service League friends. The remainder will be distributed by the League in response to requests, to League affiliates, and to citizens groups.

2. *A Model Civil Service Law.* The League published its first Model Civil Service Law shortly after the turn of the century, and revisions were published in 1939, 1946 and, most recently, in 1953. Today, slightly more than half the states and many large local governments have "merit systems." In most cases, the League's work has been of fundamental assistance. But—the rapid growth and increasing complexity of the public service in the last decade make it imperative that the model be revised. The League has begun work to update the model civil service law. The National Municipal League has agreed to join us in preparing the revised code.

3. The Law of Civil Service. To be effective, citizens' groups, practitioners, scholars, legislators and others need to know on top authority what the law of civil service is, how the law has been developed and applied, and how courts and legislatures have dealt with civil service problems. In 1958, The Law of Civil Service, by H. Eliot Kaplan, was published. This definitive work, which was commissioned by the League and financed by the Carnegie Corporation, analyzes civil service law and integrates the administrative and legal aspects of public personnel administration. The author, a lawyer and nationally recognized authority, and his publisher are prepared to revise the book in the light of developments since the first edition. It remains for the League to agree to sponsorship and assist in the securing of financial support.

4. The Management of Government. The increasing complexity of government requires clear-cut policy guides to aid public officials in development of sound personnel policies. Particularly critical areas are the use of preferential devices, such as veterans' preference in hiring and of public employees; the tenure provisions of government service, specially among executives; and the proper role of the central personnel agency. The League is working on policy statements and model civil service provisions on these issues that can be adapted to existing management systems.

There is an equally pressing need to train and develop mid-career public servants. The League is working with the National Institute of Public Affairs on such a project, but its success would be helped by the willingness of citizens to encourage top government management participation in such programs. The League is prepared to join with NIPA as the citizens' catalyst to promote such broader interest through our own grassroots movements.

5. The Prestige of Public Service. In 1964, the National Civil Service League published a statement of goals entitled "A Citizens' Prospectus for Action." The section concerning the prestige of public service read as follows:

"One of the purposes of the National Civil Service League is to encourage and give public recognition to excellence in the public service. To this end the League annually honors ten outstanding people in the Federal government through its Career Service Awards Program. This not only brings appropriate recognition to the deserving men and women in the service, but also adds stature to the League's public activities on behalf of more effective and efficient administration.

"We not only wish to continue this national affair but would like to expand the scope of the Career Service Awards to include state and local jurisdictions as we are successful in developing affiliated organizations."

In 1964, the League—in cooperation with the Dallas Chamber of Commerce, the Dallas & Fort Worth, Texas, Federal Business Associations, and the Southwestern United States region's Federal Executive Board—conducted a major recognition program in Dallas, Texas. A luncheon, attended by nearly 1,000 persons, honored eight career civil servants from a five-state region of the Southwest. This same concept is now being planned and promoted in nine other regions of the United States.

A new League affiliate, the Pennsylvania Civil Service League, conducted a successful recognition program in 1965, in Harrisburg, Pennsylvania. The League's new Massachusetts affiliate, the Citizens to Advance the Public Service, is organizing a similar career service recognition program in New England for 1966. Plans are being discussed for a program of recognition sponsored by the League in Albany, New York. It would be appropriate to conduct similar programs across the nation.

6. Unions and Collective Bargaining in Government. The time has come for an intensive study of public employee unionism in the United States, for clear guides to public policy and for citizen leadership to implement needed policy on this most dynamic development in public administration.

President Kennedy's Task Force report on Federal employee organization found approximately one-third of the Federal Government's employees organized. For years, the Bureau of Labor Statistics has been reporting that the only significant growth of unionism in the United States is in the public employee field. Most of this growth is in state and local governments.

The dearth of knowledge in the face of this explosive growth and the increasing number of strikes and crises that cripple public services require that clear guideposts and policy proposals be developed on the basis of existing facts and probable developments in the near future. There is an urgent necessity to determine the impact of public employee organization and collective bargaining on costs, decision-making processes, productivity, civil service rules and regulations, discipline and tenure in government. It is critically important that citizens and government be provided up-to-date, accurate and objective information on which to base decisions. There is a need for clear and positive recommendations, arrived at impartially to be used as guidelines for citizens action programs and for implementation by both government officials and employee organizations.

The National Civil Service League has already begun work in this area. The New York University Graduate School of Public Administration has proposed a consortium between the school and the League to develop public employee unionism studies, beginning with work on the state and local developments. The League, N.Y.U., and the Federal Bar Association will hold a joint conference on the issue in 1966. Additionally, the University's Labor Institute, in cooperation with the League, has begun a study of federal government collective bargaining contracts promulgated in recent years. Further, the League now is organizing and working on a scholarly survey of the issue to define the scope and substance of the problem and develop a major research project aimed at achieving the definitive studies and citizens' policy guides mentioned above.

CLEARING HOUSE FOR LEADERSHIP, INFORMATION AND COMMUNICATION

The resources of the action clearing house and the guidance material come from the League's core of leadership, information and communication.

1. Better Communication between Citizens and Government. The League has always relied heavily on the printed word to communicate its goals, inform the public and guide public officials. Its regular publication, Good Government, is one of the oldest continuous publications in America—dating from 1881. In 1964, Good Government was recast as a quarterly journal of opinion and ideas designed as a general forum in which a dialogue of concrete action proposals or program criticisms can be constructively offered. It offers business, professional, government, organization and academic leaders an opportunity to speak out in layman terms on critical issues of government management.

The journal thus serves several purposes. First, it is a means for concerned people of reputation to "sound off"; second, it is a vehicle to inform the public on important issues of government management; third, it hopes to stimulate citizen action to improve efficiency in government; fourth, it will broaden the League's strength, base, and support by becoming a spokesman for the League's affiliates.

The League is now launching a major promotion campaign for Good Government in coordination with its affiliates, with the expectation of bringing its circulation to at least 25,000 subscriptions. It should be available to the many hundreds of citizens' organizations, local government improvement groups, municipal leagues, citizens' unions, Leagues of Women Voters, civic federations, et al., who wish to communicate positions, problems, or proposals to their membership and to national audiences.

In opening our journal's pages to these various groups we are in a position to broaden the League's public service role. Since many local groups are under-financed, some are moribund, and others highly specialized, there is little broad exchange of ideas and no national organ in which views, activities and programs can be communicated. The League, in offering local groups space for reports, would develop Good Government as the national citizens publication on public management problems. Participating organizations would be expected to supply the journal to their members at cost.

The League receives literally hundreds of publications from specialized groups from around the world. It also subscribes to almost all journals and "development reports" in the fields of public administration and public personnel. Further, the League's newly established joint library collection and cooperative relationship with the U.S. Civil Service Commission now provides, in one location, the largest and most comprehensive source of information on public administration and government personnel in the world. As the journal becomes self-supporting, the League would utilize these resources more and expand the journal by establishing an information clearing house to publish facts on key developments.

As the journal grows, it is expected that the membership base—and thus the strength and financial support—of the League will grow and aid our goal of organizing citizens on all levels into action groups and thus make the League an even more effective citizens organization for improving government.

2. Leadership and Resource Assistance for a Grassroots Effort. The quality of the League's leadership with its name and history make it an appropriate vehicle to develop strong state and local groups. The League journal provides a forum; its research and study provides issues, policy, and guidance; its special publications provide action tools; and its library and research offer further potential knowledge. The League's success with current affiliates in New York, Pennsylvania, Massachusetts and Louisiana is a base from which to mount new action programs. All of this provides a "leadership package" to improve the public service in state and local governments. In addition, the League offers the leadership of its Board of Directors; its communication and relationships with other groups, the geographical spread of its membership, its tax status, and the experience of its staff.

The members of the Board of Directors of the National Service League are distinguished citizens thoroughly committed to quality in government. Their experience in government, business, the professions and the academic world lends weight to their views. Dedicated to the concept of good government, they are excellent resource people. They attend board meetings; participate personally in and make substantial contributions to writing and preparation of policy and research projects; write for Good Government; assist local affiliates, and otherwise lend their names, time, and knowledge to League activities.

They are geographically diverse and, thus, situated for policy leadership to a variety of local groups, and for liaison with the League.

Their commitment to rekindling the government reform movement on state-local levels is substantial. They have mandated the League staff to seek support for such a purpose. The League's Board members are active in many organizations with whom the League cooperates and to whom we would turn in developing our work on state and local levels.

Another resource of the League for developing grassroots citizens' organizations is its wide relationships, communications and affiliations with numerous state, local and national organizations which concern themselves with issues of government and its administration.

What is to be done: A plan of action

A five-year project is proposed to develop a nationwide, coordinated network of National Civil Service League affiliates and chapters. Each affiliate or chapter should be fully self-supporting within three years. Each would be contributing income to the national League for services and organization of other groups. The following plan assigns the League the role of national headquarters organization to serve as a clearing house for leadership, information and communication and direct organizational assistance to the affiliates and chapters.

During the initial phases of the project, the National Civil Service League would nurture its present affiliates as pilot projects for effective state-local organization.

STAFFING, LEADERSHIP AND MATERIALS

The League would employ three professional staff members and a secretary for a five-year period. Two professional staff members would spend most of their time traveling and working in the field with interested citizens, governments, and groups. They would offer local groups guidance and counsel; testify before and assist governments on request; organize meetings; arrange for speakers; and help local groups plan fund-raising efforts and ongoing programs. An additional professional staff member would work as a program assistant and would be assigned primarily to League Headquarters for support, research and planning. A secretary would perform office and clerical functions for the project. The League's executive director would direct the project and be available as needed for travel and program assistance.

The League's Board of Directors would provide regional and local leadership guidance for developing programs and act in liaison capacities between affiliates or chapters and the national League. They would be asked to serve as speakers at functions and to lend their good names to the organizing of meetings, enlistment of leadership support, and fund-raising efforts. They could be called upon to represent the League and/or its subsidiaries before governmental bodies and government officials. Pending selection of affiliate or chapter representatives who would serve on the National League's governing councils on a regional, state or local basis, current League Board members would be asked to provide leadership in areas where they are located.

Developing grassroots organizations would be provided with the Guidance materials discussed, either free or at cost. Additional funds beyond current resources would be required to provide bulk copies of these materials and to finance the major Good Government subscription promotion campaign discussed.

ORGANIZATIONAL MEETINGS

A first order of business for the new League field staff would be, in cooperation with and under the leadership of Board members, to conduct organizational meetings within geographical areas. These meetings would be for the purpose of stimulating interest and finding leadership support for regional, state, or local groups. From seven to ten such conferences would be organized and League Board members would be asked to host additional special meetings of key leaders they know in major cities and/or state capitals.

PILOT PROJECTS FOR GOOD GOVERNMENT

This proposal has discussed several current projects at the state and local level and has outlined plans for broadening ongoing League programs to help develop our grassroots citizens' organizations. Since this work is breaking new ground, we propose three pilot projects that show high promise of rapid success, great returns, an invaluable experience in promoting organization of strong affiliates and chapters across the country.

The first pilot project would be to financially seed the new League affiliates in Pennsylvania, Massachusetts and Louisiana. All three groups have good programs, leadership, and interest. None is sufficiently financed to take the next major step of broadening its membership and financial base for long-run effectiveness. It is proposed that each group be given an outright grant of $10,000 for a one-year period to develop its membership and programs.

The second project concerns a major effort already planned, programmed and being worked upon by the League's New York Affiliate, the Civil Service Reform Association. After having led in promoting a major Brookings Institution study of New York City personnel problems entitled "Better Personnel for the City of New York," the Reform Association is now leading a broad education and community leadership effort to promote citizen interest in and concern for the many reforms advocated by that study. The Civil Service Reform Association, in cooperation with twenty-six other civic organizations endorsed and aided the city government in its initial steps to implement the study. Together with the League and over forty other organizations, it conducted a major event on the subject that was attended by the Mayor and by James Webb, both of whom called for greater citizen support for implementing the recommendations of the Brookings Institution study.

The Civil Service Reform Association has now received pledges totaling $15,000 and is committing $40,000 to a two-year plan of developing a Citizens Committee for Public Manpower to lead in the reforms needed and to raise sufficient funds for a necessary long-range effort. It is proposed that $5,000 per year for two years be granted to the Reform Association for this effort.

The National Civil Service League's Career Service Awards Program is discussed elsewhere in this paper. It is proposed that a total of $20,000 per year for two years be expended in developing ten regional recognition ceremonies across the United States. Each ceremony would draw on the interest and resources of federal, state, and local governments and groups, as well as business and community leaders. Each ceremony would "feed back" to the region and localities involved by stimulating interest and participation in the general affiliate development program proposed in this paper and by serving as a fund raising event. After conducting two successful recognition programs within a region, it would be expected that future regional events would be self-financing and that further events would be planned within states or metropolitan regions.

An organizational structure

The National Civil Service League plans a four-level structure, designed to give all associated with the movement as realistic involvement at each level as possible. It is also designed to provide for development and implementation of policy vertically as well as horizontally. These levels will be: Members, Area Affiliates, Regional Conferences, and the National League Headquarters.

MEMBERS

There will be three categories of Affiliate Members, Individual, Association and Business Supporters. Members will, in every case, be part of the relevant Area Affiliate and be members of the League. Though Affiliates will establish their own policies on contributions, such contributions will be shared with the League to enable provision of support and service functions by the League. Individual members will be local activists and supporters. Association Members will be comprised of area organizations, citizens groups, governmental agencies, etc.

Business Supporters will be firms and corporations which wish to support the general programs of the Affiliate or the League. All Members shall have full voice in the activities and policies of Affiliates and the League.

AFFILIATES

These will be organized on an area basis. The areas will be within a locality (city, district, county), a metropolitan area, or a state. Affiliates may be organized regionally, if this is deemed more practical.

Each Affiliate will make its own rules, establish its own governing body, organize its appropriate membership base, and develop its own policies and programs. Its organization must conform to the National Civil Service League policies protecting the League's tax status and its programs must not be in conflict with the general goals of the League. Each Affiliate and its members will receive good government at an agreed cost; receive a copy of all League publications and relevant newsletters, and other information; be entitled to such research or fact finding services as the League can provide. The League will at its discretion, make grants and offer staff assitance to Affiliates. It will also, if mutually agreeable, offer continuing staff services to Affiliates on a cost basis if the Affiliate is not able to provide its own facilities or if such service is more practical.

REGIONAL CONFERENCES

Affiliates, where practicable, will be organized in Regional Conferences. These conferences will be informal bodies that will meet periodically as necessary or twice each year. The purpose of Regional Conferences will be to function as clearing houses and for such other purposes as the participating Area groups decide and will be designed to conduct regional recognition programs as outlined elsewhere in this paper.

NATIONAL HEADQUARTERS

The National Civil Service League will be the national headquarters for its members and affiliate organizations. It will perform the services and provide the staff, as discussed above, and will serve as the national spokesman for its members. Thus, with additional resources, the League will provide more coordination, more leadership and more services for grassroots good government reform of the 1960's.

APPROVAL OF FUNDS FOR EDUCATION

Mr. McGEE. Mr. President, for far too long it seemed that the only way in which Congress could obtain the approval of necessary funds for aid to education was somehow to disguise the purpose of such funds as relating to our national defense. Such phrases as "National Defense Education Act" and "impacted area" funds come readily to mind.

For some reason, no one was very anxious to recommend the needed outlays and face up squarely to the hard facts of educational life—namely, that education is a national responsibility rather

than a problem confined to State boundaries and borders.

It is gratifying, therefore, to see the Senate meet its responsibilities toward education at this session of Congress by the authorization last Thursday of $6.4 billion in Federal aid to elementary and secondary schools.

As the excellent editorial in today's Washington Post points out, education is the last place where we should practice economy. I join the Post in the suggestion that further delay not be effected in the contemplation of the amount of the funds, but that all concerned bend their efforts toward implementing these allocations in the most useful manner.

Mr. President, I ask unanimous consent that the Washington Post editorial be printed at this point in the RECORD.

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

BONANZA FOR EDUCATION

Twice in the past week the Senate has authorized Federal aid to education in amounts greatly exceeding those approved by the House and dramatically in excess of the President's recommendations. The anomaly is at once startling and melancholy. It is startling because the reverse has customarily been the case; a succession of Presidents have asked for school aid far beyond what Congress was willing to grant. It is melancholy because even the sums authorized fall far below what the schools really need.

Last Thursday the Senate voted to authorize $6.4 billion in Federal aid to elementary and secondary schools during the next two years—some $600 million more than the House is expected to authorize for the same period. Assuming a compromise settlement between the two, the final authorization will be three-quarters of a billion above the President's request. And on Monday the Senate surpassed the House by a billion and a half in approving a program of $4.4 billion of aid to colleges and their students in the form of a Higher Education bill sans any home rule rider for the District of Columbia. The bulk of this money would go for the construction of classrooms, libraries and other academic facilities, and it goes beyond what President Johnson wanted by a cool billion.

Why this sudden avalanche of affluence for education? The answer lies, we like to think, in a recent realization by the country, reflected in Congress, that good schools must be the cornerstone of any Great Society. For 40 years—ever since the First World War—public school systems all over the country have been allowed to fall into decay. Adequate financing lay beyond local means, and Federal aid was frustrated for decades by controversy over the inclusion of parochial schools. When at last Federal aid began to be made available, the accumulated need was so tremendous that Congress seemed to be drooling it out in mere drops.

Health, Education, and Welfare Under Secretary Wilbur Cohen complained last summer, however, that the aid was coming in larger gobs than the schools could usefully absorb. It might result, he said, "in wasted funds, inadequately planned expenditures and projects which would not carry out effectively the purpose of the act."

It is true that appropriations made now, after the commencement of the school year, are hard to incorporate in academic budgets. If they are withheld now, however, the same situation is all too likely to arise again a year hence—late appropriations which the schools are ill-prepared to utilize. One can hardly help thinking, moreover, that the real reason for looking this congressional gift horse in the mouth is to bolster President Johnson's tight budget policy.

We think economy is desirable. But we also think that education is just about the last place to practice it. School sights have to be vastly elevated. New school plants are desperately needed. Additional teachers ought to be recruited—and at salaries that will attract young people of high caliber—just as rapidly as possible. Schools deserve top domestic priority. Congressional recognition of this need ought not to be discouraged. Instead of seeking reasons for rejection, the Administration ought to be seeking means for effective utilization of all the funds that Congress can prudently provide.

UNITED NATIONS MEDIATION IN VIETNAM

Mr. PELL. Mr. President, at this time, when all of us are probing and seeking for some sort of peaceful resolution of the conflict in Vietnam, I believe that the thoughts and plan of former Ambassador Anthony B. Akers should be carefully considered and possibly implemented.

Senators may recall that I placed in the body of the RECORD a short time ago the outline of his proposal. In further connection with his proposal, I ask unanimous consent to have printed in the RECORD a letter written by him to the editor of the New York Times.

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

FOR U.N. MEDIATION IN VIETNAM

To the EDITOR:

The Vietnamese conflict now constitutes a continuing threat to international peace. The U.N. cannot remain aloof from such conflict and fulfill the basic promise of the San Francisco Charter, which is . . . "to maintain international peace and security . . . and . . . self-determination of peoples."

Irrefutably the central question at issue, readily admitted by both sides, is the political question of the inherent right of the people of South Vietnam to determine their own fate. But how can the U.N. intercede in Vietnam? The U.N. has no standing army and has abdicated, in part, its own financing responsibilities.

The initial steps would require neither troops nor financing. The following is a proposed schedule:

THREAT TO PEACE

Immediately, through a General Assembly resolution, the U.N. should publish to the world a "Declaration of Mediatory Intercession in Vietnam." Such declaration would cite the "threat to international peace" of the Vietnam conflict and the right of the people of South Vietnam to "self-determination." The declaration further would state that the U.N. is "interceding in a mediatory capacity in the Vietnam conflict for the duration of such conflict, whether or not any of the stated objectives of mediatory intercession initially may be realized."

The basic objectives and proposed procedures of the declaration should then be set forth. Obviously such objectives would be to end the fighting in Vietnam; and to bring about a situation whereunder the people of South Vietnam can achieve "self-determination," either through negotiations between the principals or, failing that, through a secret-ballot election in South Vietnam under U.N. supervision.

But what if North Vietnam and its allies or General Ky's Government and its allies will not agree to a cease-fire or to a U.N. call for negotiations or a U.N. call for an election?

The declaration can be worded in such manner that the prestige of the U.N. will not suffer if there is no response initially or a negative response initially to U.N. proposals.

The declaration would get the U.N.'s "foot in the door" in the Vietnamese conflict as mediator, and all the powers of persuasion can then be used toward achieving a cease-fire, negotiations and/or elections.

STEPS TOWARD SETTLEMENT

The U.N. has a singularly persuasive force, a "world spotlight" which it can keep trained continuously upon the Vietnamese situation. As an "interceding mediator" the U.N. could call for reasonable steps toward settlement. If one principal or the other won't agree to reasonable steps, such fact would become common knowledge immediately. The world spotlight wields a cleansing, clarifying and compelling influence, and must be focused on that darkening region.

The U.N. cannot intercede with success in Vietnam, however, if it should attempt to define "aggression," or to censure or to assess responsibility for the present situation. The U.N. must function strictly as a mediatory framework, to which appeal can be made above the fervor of political passion and military combat.

Ancillary to a Vietnamese settlement, the U.N. should propose the following:

At an appropriate time all external military personnel to be removed outside South Vietnam except U.N. designated personnel;

North and South Vietnam to be invited to join the U.N. as members;

Establishment of a U.N.-sponsored neutrality zone for Southeast Asia; North Vietnam, South Vietnam, Thailand, Laos and Cambodia to be invited to join;

Question of reunification of North and South Vietnam to be postponed for twelve years.

ANTHONY B. AKERS.

JUSTICE AND A DEAD CHILD

Mr. ERVIN. Mr. President, on September 29, 1966, the Washington Star carried an editorial entitled "Justice and a Dead Child," which shows the necessity for the Congress to submit to the States a consitutional amendment which will restore the sound rule of evidence that the voluntary confessions of a self-confessed criminal shall be admissible in evidence against him on his trial.

This amendment is necessary to protect society against criminals in consequence of the rulings of the Supreme Court in the Miranda and Escobedo cases which tilt the scales of justice in favor of criminals and against society and the victims of crime.

I ask unanimous consent that a copy of this editorial and a copy of a proposed constitutional amendment which I introduced on September 30, 1966, be printed at this point in the body of the RECORD.

There being no objection the editorial and proposed constitutional amendment (S.J. Res. 196) were ordered printed as follows:

[From the Washington (D.C.) Star, Sept. 29, 1966]

JUSTICE AND A DEAD CHILD

Five members of the Supreme Court (there were four vigorous dissents) discovered something in the Constitution last summer that had gone undetected for 177 years by all of the distinguished justices who had

served on that tribunal. The effect of this discovery, for all practical purposes, was to ban confessions in most criminal cases.

Some people said the ruling was of little consequence. It wouldn't seriously cripple law enforcement, they said. It would merely make police and prosecutors work harder to perfect their cases.

Well, let's see. Last November a Brooklyn mother killed her four-year-old son. She taped his mouth and hands and beat him with a rubber hose and a broom stick. When the police arrived the tape had been removed, but the child was dead. And of course there were no witnesses except for the mother.

She made a confession which was not coerced and which was not repudiated. But she had not been told, as required by the Supreme Court, that she need not make any statement to the police and that she was entitled to have a lawyer sitting beside her when questioned.

As a result, when her case came up in court the judge, having no choice, dismissed the indictment. With that, the mother, described as a neatly-dressed and self-possessed woman, said to the judge: "Thank you, your honor, from all my heart." The judge replied: "Don't thank me, thank the Supreme Court. Don't thank me at all. You killed the child and you ought to go to jail." But this mother won't go to jail. She is free to come and go as she pleases.

This is what passes for justice in this country in 1966. Surely, the men who drafted our Constitution more than a century and a half ago would shudder if they could know what has happened to their handiwork.

S.J. RES. 196

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified 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:

"ARTICLE —

"SECTION 1. Except when the Congress establishes a different test in prosecutions for crime against the United States or a district, commonwealth, territory, or possession of the United States, or when a State establishes a different test in prosecutions for crime against it, the sole test of the admissibility of an admission or confession of an accused in a criminal prosecution in any court sitting anywhere in the United States shall be whether or not it was voluntarily made, and the ruling of a trial judge admitting an admission or confession in evidence as voluntarily made shall not be reversed or otherwise disturbed by the Supreme Court or any inferior court ordained and established by the Congress or under its authority if the ruling is supported by competent evidence. The provisions of this amendment shall be applicable to an admission or confession even though it was made by an accused under arrest or in custody during his interrogation by a law enforcement officer prior to the commencement of the criminal prosecution when no counsel representing him was present."

DEPARTMENT OF AGRICULTURE HURTS COTTON FARMERS IN DRYLAND AREAS

Mr. YARBOROUGH. Mr. President, I invite the Senate's attention to an injustice being perpetrated on a large segment of the cotton farmers in my State by bureaucrats in the Department of Agriculture—bureaucrats who are so out of touch with farming that they base their calculations on one type of planting practice while the farmers are using another.

In my State is an area of 31 counties which lies east of Lubbock and north of San Angelo called the Rolling Plains. This area is populated by progressive, dedicated, pioneering farmers. Even though the area is not blessed with as much annual rainfall as my native east Texas or cotton growing States to the east, these farmers are successful cotton farmers. In fact, they grow little else but cotton—some counties having no more than a few hundred acres planted in other crops. Furthermore, they are committed to remaining cotton farmers. Not one of the counties in the area voted to allow the sale or lease of cotton allotments to other counties, as did 72 counties in my State that are phasing out of cotton production.

The secret, Mr. President, of the success thus far enjoyed by these dryland cotton farmers is a planting practice called skip-row planting. They plant two rows, then skip—leave vacant or fallow—a number of rows, then plant two more, and so on. This enables the roots of the cotton to spread under the vacant strips and raw moisture from this additional area. Skip row was developed by the early settlers in this area not to take advantage of some Government allotment but merely to produce consistent crops in this low rainfall region. Today, in 15 to 20 counties all the cotton is planted in this manner, and in 30 or 40 more counties there is significant use of this method.

The historic planting pattern which developed through 1961 was to plant two rows and skip four. From 1962 through 1965, many farmers reduced the number of rows skipped to less than four because it was to their advantage under the cotton program then in effect to do so. Since that time they have returned to the historic plant-two-and-skip-four pattern in order to avoid Department of Agriculture penalties for planting in patterns permitted the previous 4 years. Serious questions could be raised about the justice of these penalties, but that is not my purpose here today.

Mr. President, my purpose is to point out that the Department of Agriculture bureaucrats in calculating the projected yield for 1967 in these skip-row counties have not even looked to see what skip-row pattern the farmers are using. The projected yields, which you know, Mr. President, determine both the farmer's production payments and his diversion payments are being calculated with a 30-percent penalty. This penalty is based on the assumption that skip-row farmers are still using the closer spacing of the 1962–65 period when in fact they are using the historic plant two, skip four pattern.

This is a gross injustice. The Department of Agriculture bureaucrats have encouraged the skip-four pattern and then apparently have not even gone to look and see that that is exactly what the farmer has planted. The farmer plants the officially sanctioned pattern and then is told that this projected yield will not be calculated on the yield per measured acre which he will produce by that pattern but will be calculated by subtracting a 30 percent penalty from what he produced when he used a pattern he no longer uses or intends to use. In monetary terms, this official blindness will cost the skip-row farmers $5 an acre.

I submit, Mr. President, that a fair and equitable projection of yield will factor downward only those acres planted in a pattern of less than four rows skipped in the year for which the projection is made.

I am sure that most of us are familiar with a recent publication entitled "The Farmers' Worst 5 Years." Although we are told that it contains statistical distortions, I cannot help being drawn to its main thesis when I reflect on what is happening to the skip-row farmer. When I see bureaucrats so out of touch with the farmer that they are officially unaware that he has returned to his historic planting pattern, I find a certain appeal in the thesis that the plight of the American farmer is traceable to administration, not legislation.

THE THREATENED STRIKE AT GENERAL ELECTRIC

Mr. FANNIN. Mr. President, all of us are aware that one of the giant manufacturing enterprises of this Nation faces the imminent threat of a paralyzing strike.

Despite continuing efforts by management of the General Electric Co. to bargain collectively with the various unions of its employees in the traditional manner, there is little sign of any progress.

Presidential intervention and Government mediation efforts apparently have not produced any change in the stubborn intransigence of the union negotiators, who have already rejected by their own admission the best offer from the company in history.

Some of the fundamental principles and issues involved in this situation are summed up in excellent fashion by the New York Times in an editorial on October 3. The editorial clearly points out the further inflationary pressure that can be anticipated from this situation. I commend it to the Senate and ask permission to have it printed in the RECORD.

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

[The New York Times, Oct. 3, 1966]

STRIKE DELAY AT G.E.

President Johnson's intervention in the strike threat at General Electric is undoubtedly the first step in the familiar process of White House pressure to force up wages in disregard of the Administration's now shattered anti-inflation guideposts.

The strike which the President has succeeded in delaying for two weeks was no conventional pay dispute. It was planned by the International Union of Electrical Workers and its allies in an A.F.L.–C.I.O. coalition as the showdown effort in a power struggle that has been sputtering for nearly two decades.

The pivotal issue—transcending the specific conflict over the size of the pay increase, a cost-of-living escalator, an improved arbitration plan and a reduction in area wage differentials—was the union's

desire to recapture the initiative at the negotiating table.

The country's biggest electrical manufacturer introduced soon after World War II a bargaining technique in which it seeks, at the outset of negotiations, to put forward an offer that balances the equities of its employes, its stockholders and its customers. It sticks to this offer, with minor modifications, through the full bargaining process even at the cost of a strike.

The unions have never been happy with this "take it or leave it" pattern, but they have been conspicuously unsuccessful up to now in persuading most G.E. workers that they have been shortchanged. Their last big effort—a three-week strike by the electrical union in 1960—resulted in a union rout. Since that time labor has been trying through the National Labor Relations Board and the courts to force G.E. to alter its bargaining approach. This year, with the enthusiastic support of George Meany, a united front of eleven unions with 120,000 members in G.E. plants was formed to win a change through a collective show of strength.

Before the President's intervention G.E. had offered increases in excess of the 3.2 per cent productivity standard that used to have the Administration's imprimatur. The company proposal called for pay raises of 4 per cent in each of the next three years. It also gave union members access to a savings and security plan, under which they could get 3 per cent more each year in matching company payments for employe investments in Government bonds or G.E. stock.

The union coalition, mindful of the 1960 strike debacle, can now expect the aid of the three Cabinet members the President has assigned to the negotiations—Secretaries McNamara, Connor and Wirtz—in convincing G.E. that it ought to give more during the two-week truce. The price of peace, as in the White House-sponsored settlement of the airlines strike, will be a further upthrust of the inflationary spiral.

THE BAIL REFORM ACT

Mr. JORDAN of North Carolina. Mr. President, a few weeks ago the Bail Reform Act of 1966 became effective in every Federal court throughout the country. That measure was one of the most important matters pertaining to the criminal law that the 89th Congress has considered because it removed inequities that have existed in this country since the original Judiciary Act was passed in the First Congress. Much of the credit for this reform is due to my friend and associate, the senior Senator from North Carolina [Mr. ERVIN]. Through his leadership in bail reform, the administration of Federal criminal justice has been improved and the States have a model on which to base local reform. It should not be long before bail reform is an accomplished fact in every American jurisdiction, and a man's financial worth is no longer the exclusive consideration governing whether he is to be imprisoned before trial, or released and permitted to prepare his defense and care for his family.

Mr. President, I ask unanimous consent that the following selection of editorials which trace the progress of the Bail Reform Act through the Congress be inserted in the RECORD at this point: "For the Man Who Can't Put Up Bail," from the Virginian Pilot of August 2, 1964; "Release Without Bail," from the Washington Post of August 9, 1964; "Admirable Bail Bill," from the Washington Post of March 15, 1965; "Bail Reform," from the New York Times of April 2, 1965; "Major Step Toward Bail Reform," from the Winston-Salem Sentinel of September 25, 1965; "Toward Bail Reform," from the Greensboro Daily News of September 27, 1965; "State Reform Too," from the Raleigh, N.C., News and Observer of June 21, 1966; "ERVIN'S Bail Reform Ideas Set Example for His State," from the Charlotte Observer of June 25, 1966; and "Senators Johnston and ERVIN Carried Out Spadework for Bail Reform Bill," from the Independent, Anderson, S.C., of June 26, 1966.

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

[From the Virginian Pilot, Aug. 2, 1964]

FOR THE MAN WHO CAN'T PUT UP BAIL—RIGHTS SUBCOMMITTEE TAKES UP ERVIN BILLS

(By Luther J. Carter)

WASHINGTON.—Senator SAM J. ERVIN, JR.'S Constitutional Rights Subcommittee will begin hearings Tuesday on his three proposals on behalf of the man who goes to jail before trial simply because he lacks the money to obtain bail.

The professional bondsman is going to be unhappy indeed if this North Carolina Senator's bills ever become law. Their immediate effect would be to deprive the bondsman of much of his business arising from arrests for Federal offenses. Their long term effect might be to encourage many states to reform the practices regarding bail in cases before their own courts.

First, ERVIN would allow an accused person to be admitted to bail on his personal recognizance or formal pledge. He would not go to jail for lack of a bondsman's premium. The Senator does not believe this would lead to an increase in "bail-jumping"; his bill would make bail-jumping a felony carrying a fine of up to $5,000 and up to five years' imprisonment.

Also, the Senator emphasizes that if good cause were shown why an accused should not be released on his own recognizance, then bail on those terms could be denied.

Another Ervin bill would assure that persons convicted of offenses get credit in sentencing for any pretrial detention resulting from lack of bail; his third bill would allow persons admitted to bail to make a cash deposit (of 10 per cent of the bail) with the court rather than have to use a professional bondsman.

BYPASSING THE BONDSMAN

The three measures are intended to remove the keys to the jail from the bondsman's pocket, to paraphrase one Federal judge's remark. A 1958 study of bail in New York City showed that more than one-fourth of the defendants could not raise even $500 bail; when bail was set at $2,000, almost half the defendants found it too much and had to stay in jail.

Without suggesting that all bondsmen, everywhere, are to be looked at askance, it is fair to say that the people most concerned with reforming bail practices regard many of them with disfavor. Senator ERVIN has called attention to the recent address by Justice Bernard Botein, of the New York Supreme Court, before the National Conference on Bail and Criminal Justice, held here in May with the Justice Department as a sponsor. Justice Botein said that the usual lofty pronouncements about an accused's right to bail are ringing hollow.

"Pronouncements do not furnish defendants with the cash premiums and substantial, often full collateral demanded by bondsmen," he said. Later, Botein observed that "racketeers and members of the crime syndicates seem to encounter no such difficulties, despite the fact that their incidence of bail-jumping is very high."

A PROFITABLE BUSINESS

As described in an informative article in the April issue of Kiwanis Magazine, bail-bonding is big business, and quite profitable. The usual bonding rate, the country over, is 10 per cent—hence, the bondsman who furnishes a $1,000 bond gets a fee of $100 from the bailee. The bondsman who represents a bonding insurance company keeps $60 of each $100 he receives and sends $40 to the company, half of which is placed in a reserve against forfeitures.

The Ervin bills would have the question of whether a defendant stays in jail during the pre-trial period based on something more relevant to the administration of justice than a bondsman's perhaps legitimate desire for a good profit. Considerable experience indicates that many offenders can be released on personal recognizance without fear that they will jump bail.

In England, those who are released on bail (and, admittedly, many aren't) are freed after agreeing to forfeit a stated sum if they fail to appear in court. Forfeitures are rare. For the past two and a half years, a bail project sponsored by a private foundation has been underway in Manhattan. Justice Botein reported in May that 2,600 defendants had been released without bail bond after a quick but adequate inquiry into their background. He said that only 24 had willfully failed to appear, or, in other words, jumped parole.

"This represents less than 1 per cent—much lower than the ratio of bail-jumping in New York County," Botein said. "Controlled experimentation revealed that judges armed with project reports released four times as many defendants on parole than when they made the bail or jail decisions in the blind."

The jailing of an accused for no better reason than that he lacks the money to make bail imposes upon him multiple hardships. Besides the discomfort, humiliation, and general inconvenience of being in jail, the defendant may lose his job and his family may go on public relief; and he is likely to be handicapped in the preparation of his trial defense.

"Two and one-half times as many parolees were found not guilty than defendants who were in detention from time of arraignment to adjudication," said Justice Botein. "This experience suggests some interesting speculation on the greater effectiveness a defendant at liberty possesses in cooperating toward the preparation of his defense than a defendant confined in prison."

And it raises at least a suspicion that if the defendant comes as a jail-bird before his judge and jury they may be affected by a subtle prejudice against him.

[From the Washington (D.C.) Post, Aug. 9, 1964]

RELEASE WITHOUT BAIL

Our sympathies run strongly in support of the efforts now under way to lessen reliance on bail bonds to guarantee the appearance of accused persons in court. The bail system is notoriously subject to abuses. In some communities it amounts to a racket, and the underlying idea of allowing a private bondsman to determine whether a suspect may be released (at a price) or must await trial in jail is repulsive to an alert sense of justice.

The experience of the District Bail Project illustrates what could be done on a national scale. Of the 105 suspects released here without bond only two have failed to keep their promises to appear in court. This is an excellent record. It suggests that, with careful screening of the persons so released, the necessity for bail bonds can be greatly reduced.

In our opinion, the release of accused persons without bond should not depend upon whether they are indigent. Such a system would amount to discrimination in favor of the poor. Release on recognizance, as Lawrence Speiser of the American Civil Liberties Union said at the hearing on this subject before the Senate Constitutional Rights Subcommittee, should be the norm for all persons accused of crime—at least for minor offenses. The test should be whether each can reasonably be trusted to appear in court on his own responsibility. If so, why should he be required to pay a fee to a bondsman for his liberty?

Senator ERVIN of North Carolina has rendered a national service by introducing bills designed to reform the bail system in the Federal courts. His bills have widespread support. They are properly being subjected to scrutiny by the Constitutional Rights Subcommittee, and there is room for disagreement on some of the details. But the general aim of extending and systematizing the release of trustworthy suspects is sound, and its application to the Federal courts can make an enormous improvement in our system of justice.

[From the Washington (D.C.) Post, Mar. 15, 1965]

ADMIRABLE BAIL BILL

The omnibus bail bill Sen. SAM J. ERVIN, JR., has introduced in the Senate deserves speedy consideration. The bill combines facets of three earlier bail bills and contains some thoughtful additions, all intended to update and streamline the archaic bail-bond system.

Constitutional Rights and Federal Bail Procedures, a joint report recently issued by the subcommittees on Constitutional Rights and Improvements in Judicial Machinery, makes a strong case for bail reform. In part the report says, "The Federal bail system, as it operates today, is repugnant to the spirit of the Constitution and in direct conflict with the basic tenets that a person is presumed innocent until proven guilty by a court of law, and that justice should be equal and accessible to all."

Toward this end, the omnibus bill provides: additional methods of releasing accused persons, credit for pre-trial confinement against fines imposed upon sentence, and a means of appeal for persons who contest the conditions of release imposed by the court.

Federal courts would be empowered to release defendants on personal recognizance supervision by a probation officer, daytime release, release in the custody of a third party and provision of a refundable deposit. Advocates of the latter method, which has been successfully tested in Illinois, point out that the defendant who puts up 10 per cent of the established bond in his own money is much less likely to flee than if the money came from a bondsman. Further, it would provide a means of releasing a defendant when a bondsman was unwilling or unable to write a bond for him.

The role of the bondsman is at the heart of the failings of the bail-bond system. In all too many cases a flat bail is set, leaving the bondsman in a position to make the decision that should properly be made by a judge: whether the accused should go free pending trial. For too many years the criterion has been that of the bondsman—money or security. Senator ERVIN'S bill makes provision for consideration of good character and community ties, would make it possible for a man to continue work while preparing a defense and, in general, would remove a serious disadvantage the poor and obscure suffer under our system of law.

The effect of these innovations would not, as some contend, send dangerous criminals back onto the streets at an accelerated rate. Rather, by suggesting a wider range of discretion for a court as to methods of release and by questioning the absolute right to bail, Senator ERVIN has pointed the way toward a system of release where character would be substituted for cash as the key to freedom for the accused.

[From the New York Times, Apr. 2, 1965]

BAIL REFORM

The bail system has long operated in both Federal and state courts as a machine to penalize the poor.

Equality before the law disappears when a wealthy defendant is allowed to go free on bail while an impoverished defendant, charged with a comparable crime, has to stay in jail until his trial because he cannot produce enough collateral to satisfy the bondsman.

Another basic principle of justice—that the accused is innocent until proved guilty—is also frequently compromised. Of the 34,000 persons who were accused of Federal violations in 1963, more than 5,000 were dismissed or acquitted, and half of the others were placed on probation or only fined. Yet a sizable number of these individuals spent varying lengths of time in prison awaiting their trials.

Studies by the Vera Foundation and by various legislative inquiries have amply demonstrated that society can place more reliance upon the ordinary defendant's ties to his job, his family or his community to get him to appear for trial than upon his financial capacity to ransom himself. High bail does not deter racketeers and professional criminals, since they are usually able to raise the necessary bond. As we have noted here before, the victims of the present system are the innocent, the indigent and the hapless first offender.

Senator SAM J. ERVIN of North Carolina has introduced an omnibus bail reform bill. It would authorize judges to free persons charged with a Federal offense by any one of a half-dozen different methods, used singly or in combination. If a defendant does spend time in jail before his trial, this time would be deducted from any subsequent sentence he might receive.

As the bail system now works, it too often makes American justice, in Senator ERVIN'S words, "a market-place commodity available only to the highest bidder."

[From the Winston-Salem (N.C.) Sentinel, Sept. 25, 1965]

MAJOR STEP TOWARD BAIL REFORM

The approval of Senator ERVIN'S bail reform bill strengthens the prospect that this much needed legislation will become law. The House is expected to approve the bill, although action may be delayed until next year.

The bill, which has the backing of Attorney General Katzenbach, would remove the unfair burden now placed on federal court defendants who have little money. The inability to make bond now holds many accused persons in jail and makes it more difficult for them to prepare their defense. The key provision of the Ervin bill is a section directing federal judicial authorities to release an accused person awaiting trial without bail, if, in the opinion of the official, the accused person can be expected to appear voluntarily for trial. The court also has the choice of requiring an "unsecured bond," the assignment of the accused to a probation officer or restriction of travel.

The present federal and state bail requirements work no hardship on an accused person who has money or friends who have means. Unless he is charged with a non-bailable capital offense, a defendant can readily make bond and remain free until his case comes up for trial. But many accused persons without money or influence are forced to spend weeks in jail awaiting trial, even in relatively minor criminal cases, because they are unable to provide bail.

Not only should Congress enact this reform for the federal courts. The states should enact similar reforms for their bail systems.

[From the Greensboro (N.C.) Daily News, Sept. 27, 1965]

TOWARD BAIL REFORM

Sen. SAM ERVIN'S bail-reform bill has passed the Senate and moved along to the House. Though final action is not likely before next year, the halfway mark has been reached in securing a monumental improvement in the quality of American justice.

That the bill comes from the pen of Senator ERVIN has surprised more than a few lawyers throughout the nation; they largely identify him as an outspoken, often long-winded, foe of the civil rights movement. But whatever his views in that regard, his service to civil liberties as chairman of the Senate subcommittee on constitutional rights has been distinguished; if the bail-reform bill is enacted, it will be fitting tribute to his labors.

The need for bail reform has long been embarrassingly clear. The practice of requiring the accused to buy their way of out of pre-trial custody mocks the nation's historic commitment to equality before the law. Not only that, bail is often set so high as to force the accused to remain in jail, thus punishing them before guilt has been proved. The bail system works in favor of the rich and against the poor—this in a time when our courts and legislators are working to eliminate wealth as a factor in the administration of justice.

Senator ERVIN'S bill would go a long way toward eliminating this inequity. Though it would apply only to federal courts, it would set a bold precedent for state and local authorities. Among its provisions are the following:

The discretion of judicial authorities would be the main factor in determining the conditions of an accused person's release, and the alternatives would be broadened greatly. The accused could be released, for instance, on the court's judgment that his pledge to appear for trial would be fulfilled. He could be released on an "unsecured bond"—an amount of money to be paid only if he failed to appear for trial. He might be assigned to a probation officer, or restricted in travel.

The "expeditious" review of bail decisions by courts of appeal would be guaranteed, so as to minimize time in custody.

And time spent in pre-trial custody would be credited toward an accused person's sentence in the event of his conviction.

These reforms are just. The bill is solid, the product of years of careful study by Senator ERVIN and his subcommittee. It should be passed by the House—and its example should be followed by the states.

Senator ERVIN, by his diligence and determination, has helped the continuing effort to modernize American court procedures. It is an achievement of which his North Carolina constituents can be proud.

[From the Raleigh (N.C.) News and Observer, June 21, 1966]

STATE REFORM TOO

State law should quickly follow federal law in bail reform.

If there are glaring inequities in justice in federal courts there are undoubtedly even more cases of such in state courts. Every county in North Carolina could probably come up with cases similar to those cited on Sunday by Attorney General Katzenbach.

In one case the attorney general said that a man unable to post a $300 bond on a traffic

charge had been forced to stay in jail for 54 days while awaiting trial on the offense for which the maximum penalty was five days in jail. In another case a man had spent 207 days in jail on a minor offense charge and was then acquitted.

What the new federal law sponsored by Senator ERVIN of North Carolina and recently passed by Congress does is to give authority to judges in certain cases to release accused persons on their own recognizance if he thinks they are trustworthy.

Experience in pilot programs in Washington and New York have proved that accused persons released on their own recognizance are just as likely to appear for trial as those who are under bond.

It should be quite evident that bail requirements do penalize the poor, and often there is punishment without conviction of any crime. It is time for reform in all courts, and not just in federal cases.

[From the Charlotte (N.C.) Observer, June 25, 1966]

ERVIN'S BAIL REFORM IDEAS SET EXAMPLE FOR HIS STATE

With President Johnson and Atty. Gen. Nicholas Katzenbach both bragging on Sen. SAM ERVIN, North Carolina's senior senator must have done something special. Indeed he did in fathering the Bail Reform Act just signed into law by the President.

Sen. ERVIN'S legislation goes a long way toward eliminating the inequities in the ancient bail-bond system, but the law cannot go far enough because it is limited to the federal judiciary system. North Carolina should enact similar reforms at the next session of the General Assembly.

Bail has ancient roots in common law, and its continued use testifies to its practicality. By posting bond money, the accused can be released from prison to await trial. The money works to guarantee his appearance in court, because he or his bondsman loses it if he fails to show up. Meanwhile, a person presumed innocent is able to stay out of prison.

ERVIN'S Bail Reform Act provides means to correct bail inequities for the poor. It enables federal judicial officials to release the accused without bail if they deem him trustworthy.

Community and family ties are weighed in the decision. If the person fails to show up for trial, he is faced with stiff fines and jail penalties under the new law.

Under current bail procedures, poor people often languish in jail because they are unable to raise the money themselves or attract it from a bondsman. The bondsman is in the business of putting up money for accused lawbreakers on a fee basis, but he may well turn down a poor man because of questionable credit or other considerations of risk.

In such cases, our jails take on the characteristics of debtors' prisons.

A study published by the Institute of Government, for example, shows that at any given time the bulk of persons confined in the state's county jails are awaiting trial.

Not only are the poor disadvantaged by this system, but it also lends itself to abuses and questionable practices. For example, desk officers often set the bonds. As the Supreme Court has indicated this is a function that should be in the hands of an impartial judicial officer.

The amounts of bond are often set arbitrarily by custom. This practice is questionable because the bondsman has a stake in higher bond rates. His earnings can increase proportionately to any increase in them.

Last year a special committee of the Mecklenburg Bar Association studied the local bail system with an eye toward reforms and possible statewide legislation. Unfortunately, that committee never reported its findings. The bar association's new leadership should see that this work is carried on to completion, and further studies on a statewide basis ought to be made by the Institute of Government.

North Carolina has reason to be proud of Sen. ERVIN'S work on this legislation. The best way the state can show its pride would be to follow its senior senator's good example and enact similar reforms.

[From the Anderson (S.C.) Independent, June 26, 1966]

SENATORS JOHNSTON AND ERVIN CARRIED OUT SPADEWORK FOR BAIL REFORM BILL

What's bail for? To punish the accused? Obviously not. Under the American system of jurisprudence, as under the British system, its ancestor, no person is supposed to be punished until he is found guilty by due process of law.

But in practice bail does punish—the innocent as well as those later found to be guilty—and its punishment is heaviest on the poor.

As an Andersonian, the late Sen. Olin D. Johnston of South Carolina, and North Carolina Democratic Sen. SAM J. ERVIN pointed out in a joint report unanimously agreed to by members of their respective Senate Judiciary subcommittee a year and a half ago:

"Relying primarily upon financial inducements to insure the presence of the accused at the trial, rather than the character or the community ties of the accused, federal bail procedures inevitably disadvantage persons of limited means . . . The accused cannot locate witnesses or consult his lawyer in the privacy of his law office; the accused often loses his job and is unable to support his family. Worse yet, if found not guilty, the accused and his family have been made to suffer the public stigma of incarceration."

Now, following up the long spadework of Sens. Johnston and ERVIN and other Judiciary Committee members determined to enforce the spirit of the U.S. Constitution, Congress has passed—by a 319 to 14 vote in the House and by a voice vote in the Senate—a Johnson administration-backed bill to revise existing bail practices in federal courts and it has been signed into law by President Johnson.

The bill, which was backed also by the American Bar Association and the Judicial Conference of the United States and opposed only by professional bondsmen, will provide that a person accused of a non-capital offense shall be released on his personal recognizance or upon giving an unsecured appearance bond unless good cause is shown that his release under the circumstances would not assure his later appearance in court.

Will this mean that hordes of accused persons will never show up for their trials? Quite the contrary. Experiments in several localities, including Washington and New York, have shown that when courts exercise sound judgment bail is not necessary at all.

The Manhattan Bail Project, conducted by the Vera Foundation, actually produced a better record of court appearances by persons released on their own recognizance than by those for whom bail had been required.

The Bail Reform Act provides safeguards a-plenty. Its main thrust, as Senator ERVIN declared, will be to take the keys of the jailhouse away from the bondsman and put them in the hands of the judge, where they rightfully belong.

"Judge" ERVIN and the late Senator Johnston are both, in particular, to be commended for their conscientious work in behalf of equal justice before the law and the presumption of innocence that is at the law's foundation.

[From the Greensboro (N.C.) Daily News, Oct. 3, 1966]

JUDGE HAWORTH'S BOND POLICY

High Point's Municipal Court Judge Byron Haworth is largely following the guidelines laid down in Sen. SAM ERVIN'S measure for dealing with bonds and bondsmen in the federal courts, by extending them into an inferior court where they may be even more needed than in the federal system.

Several flagrant instances have recently cropped up over the state of defendants being held in jail indefinitely because of inability to make bond—sometimes small and in consequence of trivial charges. Recourse to *habeas corpus* proceedings has been bringing increased relief.

The basic unfairness and inequity of the prevailing practice were cited by Judge Haworth in announcing his court's new policy of allowing persons charged with misdemeanors and some felonies to be released, under stipulated conditions, without posting bond. Posting bond has been a relatively expensive procedure and has obviously operated against the poor. This discrimination is compounded when the size of bond for the same offense varies substantially in many of the inferior courts.

The High Point jurist makes out a strong case for his new policy: The old bail-bond system "discriminates between rich and poor and results in a denial of the equal protection of the law.

"The Eighth Amendment to the federal constitution provides that 'excessive bail shall not be required.' Under a bail-bond system which conditions release on payment of money, a poor person is put to a great disadvantage. To a person who has no money, any bond is excessive.

"It's a travesty of justice to make a person pay a bondsman $25 or $50 or make him serve a sentence or pay a fine before we ever convict him."

Our hope is that other courts will follow Senator ERVIN'S admonition and Judge Haworth's example. For profesisonal bondsmen who are crying about what the judge's policy will do to their business and the loss it will cause for the school fund to which forfeited bonds go, we have deepest sympathy—of the sort that produces huge crocodile tears.

Oh, yes, Judge Haworth's new policy has teeth in it. The court does not expect many defendants to break their word and fail to show up for trial: "We are going to be pretty tough on the ones who disappoint us, who don't show up. I don't want a few to mess it up for the majority."

That warning ought to be sufficient, especially if Judge Haworth has to make an example or two.

SUCCESS OF THE MIGRANT HEALTH ACT IN NEW JERSEY

Mr. WILLIAMS of New Jersey. Mr. President, the success of the Migrant Health Act in upgrading and improving the health of our Nation's migratory farmworkers and their families has received national recognition.

The Camden Courier Post, a widely respected newspaper, published in New Jersey, last week carried an interesting and informative article which demonstrates the success of this program. In New Jersey during the 1966 harvest season 3,000 members of migrant worker families received health care services from projects established under the Migrant Health Act and administered by the New Jersey State Health Department.

The number of clinics serving migrant farmworkers and their families increased

from 30 last year to nearly 60 during the 1966 harvest season. In addition, 650 patients were given medical examinations, laboratory tests and dental inspections—five times the number reached in 1965.

Both the State of New Jersey and the Department of Health, Education, and Welfare should be commended for their outstanding accomplishment in bettering the lives of the most neglected segment of American society. This outstanding success more than justifies the increased appropriation for fiscal 1967 contained in the Health, Education, and Welfare appropriation bill as passed by both the House and Senate, which will enable even larger numbers of migrant workers and their families to receive improved medical attention next year.

I now ask unanimous consent that the full text of the article contained in the Camden Courier Post be printed in the RECORD.

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

THREE THOUSAND MIGRANTS GET NEW JERSEY HEALTH AID

TRENTON.—An estimated 3,000 members of migrant worker families received clinical, hospital, nursing and social casework services in New Jersey's farm counties this past summer, the state Health Department reported Wednesday.

An estimated 21,000 migrant workers were employed in the Garden State during the 1966 growing season.

Thomas Gilbert, coordinator of the department's Migrant Health Program, said the number of scheduled clinics organized to serve migrants and their families was increased from about 30 last year to nearly 60 this season.

Gilbert said clinics on farms convenient to migrant camps recorded 1,000 patients, and Salem, Monmouth, Burlington and Cumberland Counties conducted family health clinics in hospitals and health centers.

Thorough medical exams, laboratory tests and dental inspection were given 650 patients, he said. "This is more than five times the number reached in 1965 by this new program which searches out chronic illness as well as communicable diseases," Gilbert added.

During the same period, Gilbert said, field nurses recorded visits to migrant camps to render health services to 1,500 individuals.

By arrangement between the migrant health program and member hospitals of the New Jersey Hospital Association, more than 200 migrants received in-patient services through Sept. 15, Gilbert said.

WORLD FOOD SITUATION WORSENS

Mr. McGOVERN. Mr. President, the World Food and Agriculture Organization issued its annual report today. It is a cry of alarm over the worsening world food situation.

World population last year grew by 70 million—equal to one-third of total U.S. population—but food production did not increase.

The amount of food available per capita declined in a world in which half of the people do not even now have proper nourishment.

Widespread drought conditions resulted in a decline in production of 4 to 5 percent in Asia, Africa, and Latin America, areas where population is outracing food supplies. Only a rise in production in North America kept world food output from showing a decline.

As the director general of the world food agency, the Honorable B. R. Sen, says in the report, this is not a poor harvest "in the midst of plenty." Few nations in the world have reserves as does the United States. It is a deficit added to a deficit.

For the past several years, in spite of gradual stimulation of production in the less developed nations of the world, food output has grown only about 1 percent a year, while population has grown about twice as fast.

I ask unanimous consent, Mr. President, to put in the RECORD the World Food and Agriculture Organization release on its annual report dealing with the world food situation.

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

WORLD FOOD PRODUCTION STANDS STILL—POPULATION KEEPS GROWING

ROME, October 13.—World food production failed to rise in 1965–66, but population increased by about 70 million persons.

Because of widespread drought, the Food and Agriculture Organization of the United Nations says today in its annual report, last year's food output was no larger than in 1964–65, with the result that per-person production of food fell by about two percent.

Those poor harvests came, the report says, "not in the midst of plenty", but after several years of a neck-and-neck race between food and population.

Per-capita food production, according to preliminary estimates contained in "The State of Food and Agriculture, 1966,"[1] dropped by four to five percent in the developing regions of Africa, Latin America and the Far East (except for Mainland China, where official statistics were lacking but where food-gain production was believed to have declined slightly).

These estimates, the report says, indicate that per-person food production in developing regions had dropped back to the 1957–58 level, the same as the "inadequate" level before the Second World War.

"Any remaining complacency about the food and agriculture situation must surely have been dispelled by the events of the past year," writes Dr. B. R. Sen, FAO Director-General, in a foreword to the report. "But for good harvests in North America, world production would almost certainly have declined. In fact, in each of the developing regions except the Near East, food production is estimated to have fallen by two percent in total and four to five percent on a per-caput basis."

And even in the Near East, where in contrast to the other developing regions production per person was higher than before the war, "it has recently fallen below earlier peak levels."

Food production rose by some four percent in North America, and by less than one percent in western Europe. It fell slightly in eastern Europe and the Union of Soviet Socialist Republics, and by six percent in Oceania.

"Because agriculture depends so much on the weather," Dr. Sen writes, "there is always the danger of a setback like this. But the poor harvests of 1965/66 are all the more serious since they come, not in the midst of plenty, but after a long period in which production has only barely kept up with the rapidly-mounting population."

"When many millions of people are already inadequately nourished, there is little if any margin against the effects of a bad season."

Until recently, the large stocks of grain accumulated since the early 1950s—mainly in North America—had provided a cushion against emergencies. Large-scale shipments of these stocks "made it possible to avert disaster in India and other drought-stricken areas in 1965/66."

But these shipments, along with recent import needs of Mainland China and the U.S.S.R. and the greater success of United States policies in limiting production, "have reduced North American grain stocks to their lowest level in well over a decade."

"Thus," writes Dr. Sen, "the world food situation is now more precarious than at any time since the period of acute shortage immediately after the Second World War. Because of the depletion of the stocks, the world has become much more dependent on current production and hence on weather conditions."

"It is therefore with some anxiety that we await the outcome of the 1966/67 harvests."

The report itself is cautious about prospects for this year's crop. It was not yet possible, on the basis of data available up to 15 July, to assess the extent to which production might recover. Excess rainfall had reduced winter wheat plantings in Europe and the U.S.S.R., and the U.S. wheat production was expected to be down seven percent from last year's crop. Drought had hit wheat crops in India and Pakistan, and widespread drought was reported in Mainland China. Shortage of rain was expected to reduce wheat production in northwestern Africa and a number of Near Eastern countries.

But, warns the report, early information, especially from developing countries, tends to stress droughts and disasters, and it is only later that reports on average or good harvests come in.

SPECIAL CHAPTERS

The 1966 reports reverts, after last year's review of the preceding decade, to its usual pattern of reviewing the current situation for production, stocks and consumption of and trade in agricultural products, the state of farm prices and incomes, consumer prices, and changes in agricultural policies and development plans. It is illustrated with graphs and tables on a wide variety of subjects.

In addition, it contains two special chapters of longer-term interest, one on rice in the world food economy (1966 is International Rice Year), and one on the relationship between the agricultural and industrial sectors of national economies, in particular those industries using agricultural, fishery and forest products as raw materials.

FOOD AID AND FOOD PRODUCTION

The stagnation in food production and the sharp reduction of stocks, the report says, "give greater urgency to the rethinking already under way about the role of food aid and its provision on a surer basis than that of chance surpluses." The U.S. had already taken steps to return some unused farmland to production, and the proposed Food for Freedom Act would make U.S. food aid independent of surpluses as well as conditional upon measures by recipient countries to improve their own production.

"It has always been emphasized by FAO," Dr. Sen writes, "that, invaluable as food aid may be . . . in the long run greater production in the developing countries themselves is essential for any lasting improvement in their food situation."

The Indicative World Plan for agricultural development, now being drawn up by FAO, would provide a clearer idea of the contribution needed from agriculture for sound national growth, and make it easier to assess

[1] "The State of Food and Agriculture, 1966", English, French and Spanish, price US$5.50.

the amount and type of aid needed by the developing countries. The UN/FAO World Food Program was providing increasing amounts of direct food aid. And, through a co-operative program set up with the International Bank for Reconstruction and Development, FAO was becoming more directly concerned with obtaining financial aid for agricultural improvement. Dr. Sen writes that he now is proposing a Food Production Resources Program which, under the Freedom-from-Hunger Campaign, would make available fertilizers and other production necessities to developing countries. At the same time, FAO's work of technical assistance was constantly increasing, both under its own regular programs and through work carried out for the U.N. Development Program.

"The urgent need for all these different forms of aid is amply demonstrated by the latest developments in the world food and agriculture situation," he writes.

FALL IN FOOD GRAINS

The most serious development in 1965/66, the report says, was an estimated drop of more than two percent in total grain production, which makes up about one-third of all agricultural production. World production (excluding Mainland China) of wheat barley, rice, sugar, apples, groundnut, cocoa and tobacco fell by between four and eight percent. A number of fibers experienced smaller drops. For most other agricultural products there was a small rise, and for olive oil, soybeans and coffee increases ranged from 15 to almost 50 percent.

World fish production (again excluding Mainland China), increased by almost four percent in calendar 1965. Catches continued to expand in Japan, the U.S.S.R., the U.S.A. and most other major fishing countries. But the increase in Peru's production was relatively small after some years of dramatic upsurge, and in Chile there was a drastic drop.

Removals of roundwood rose by about one percent in 1965, with the main increase in North America. Fellings in Europe, the U.S.S.R. and Japan were about the same as in 1964. In several West African countries removals of hardwood logs for export declined. There was a small increase in sawnwood production, and the output of wood-based panels continued to expand rapidly. Production of woodpulp was up by about five percent, and the output of paper and paperboard continued to rise, but more slowly than in 1964.

MAJOR TRENDS NOTED

The report deals with developments in a variety of areas of the world agricultural economy. Among them:

Stocks: While the combined grain stocks of major exporters "are no longer considered excessive in relation to requirements," and in fact had reached their lowest level in a decade, stocks of a number of other commodities, including coffee, cotton and sugar rose.

Demand: The growth of the world economy as a whole appeared to have slowed down slightly in 1965, and the expansion in total world trade was well below the unusually large increase in 1964. There was little indication, however, of the effect of this economic trend, or of the continued economic boom in the U.S., on the overall demand for agricultural products.

Consumption: The effect of the poor harvests on food supplies and consumption was at least partly mitigated by greater imports and lower exports and by drawing on stockpiles. It was still too early to say how far this made it possible to maintain levels of food consumption. Despite fears of an extremely serious famine situation in India, it had proved possible to avoid mass starvation, largely through concessional grain supplies from the U.S.

Trade: The value of world trade in agricultural, fishery and forest products declined slightly, after a steep rise in 1964. This was the result of a more or less stable volume of trade and a slight fall in average prices. The buying power of these goods was further lowered, since there was a two-percent increase in the average value of manufactured goods which are bought by the agricultural exporters. The total volume of fishery trade appeared to have fallen slightly, for the first time in a decade. Imports of forest products, which had expanded steeply for many years, grow only moderately.

Prices: World prices of most food and foodstuffs rose in 1965, but those for a number of important products, including sugar and wheat, were much lower; the average price level fell by one percent. The export unit value of coffee was slightly higher, but cocoa exports were down by one-fifth and tobacco prices were lower. Average prices for agricultural raw materials fell by six percent, reflecting lower. Average prices for agricultural raw materials fell by six percent, reflecting lower prices for wool, sisal and rubber. Fishery prices averaged nine percent higher than in 1964. Average value of forest products was higher than in 1964, but the upward movement started in 1963 was halted.

Farm prices and incomes: In almost all countries providing data—most of them developed—prices to farmers rose in 1965. There were moderate increases for grains, and larger ones for livestock and horticultural produce. Prices paid by the farmer for his production requisites also rose, but the ratio between prices received and prices paid was if anything slightly in his favor. On the other hand, smaller crops in many countries meant that the increase in receipts failed to offset the increased farm expenses.

Consumer prices: Retail food prices continued to rise in almost all countries, and in the case of many European countries and Australia it rose faster in 1965. In almost one-half the countries for which data were available food prices rose faster than did the overall cost-of-living index; the increase in food prices appeared to have led the way.

Mr. McGOVERN. Mr. President, this FAO report underlines the necessity of enacting the food-for-peace bill now deadlocked in conference as a consequence of admittedly political considerations.

The House of Representatives is insisting on a provision in the bill that would deny the President the right to use his best judgment, when the national interest is involved, on food sales to nations which sell a little nonstrategic goods to Cuba.

The amendment would force India to give up a sale to Cuba of about $600,000 worth of jute for sugar sacks.

The consequence of the amendment, as I said on the floor Tuesday, could be the downfall of Mrs. Indira Gandhi's government, friendly to the United States, and the emergence of a leftist anti-American government in that key Asian nation. Mrs. Gandhi's margin in the Indian Parliament is a narrow one. She is under attack for being overly subservient to the United States. If her government terminates the jute sales to get our food assistance it would be cited as proof of her subservience to the United States and it could very well cost her the votes necessary for her government to sustain itself. If she refuses to cut off the jute sales, and loses our food aid at this critical time, the ensuing starvation in India could certainly upset her government and deliver India into the hands of those hostile to the United States.

Under the guise of anticommunism, some of our associates are tailoring a strategy which can cause the worst defeat the free world has experienced in our generation.

LLEWELLYN E. THOMPSON, AMBASSADOR TO THE SOVIET UNION

Mr. PELL. Mr. President, I am indeed glad that the nomination of Llewellyn E. Thompson has been confirmed as our Ambassador to the Soviet Union.

I have known, admired, and, yes, worked for Ambassador Thompson for various periods over the last 20 years. I have seen the job he has done both in our Embassy in Vienna and in Moscow and here in the Department of State. I believe that our country is particularly fortunate in that President Johnson was able to persuade Ambassador Thompson to take on this task.

His very lovely and attractive wife, Jane, will also be a great help to him in carrying on our Nation's business in Moscow.

THE "MILITARY-INDUSTRIAL COMPLEX"

Mr. HARTKE. Mr. President, Edward P. Morgan in his daily broadcasts can always be counted on not only for a good presentation of the news but also for an often provocative and stimulating commentary, always couched in striking prose.

Recently Mr. Morgan made a visit to Vietnam and the Far East. One of his commentaries, given from Tokyo on his way home, was a thoughtful consideration of the tremendous extent of our involvement in southeast Asia and its impact on our economy. I ask unanimous consent that his commentary be printed in the CONGRESSIONAL RECORD.

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

TOKYO, September 22, 1966.—During an excellent and outrageously expensive breakfast of Japanese melon, fresh salmon and scrambled eggs in my Tokyo hotel this morning, I happened to catch a newscast over the U.S. Armed Forces Radio Service. It was followed by an analysis of American Foreign policy dutifully, if not mellifluously, read by an Army sergeant. "This news analysis," the announcer said, "was prepared in Washington." That label caught my attention.

The analysis was accurate enough, a somewhat colorless defense of U.S. international positions, but it was prepared in Washington by whom? How many bureaucratic baskets on how many desks had it had to pass through before its text was approved for broadcast?

As I pondered these questions, a vague concern that has been nagging me through this whole Asian journey suddenly came more sharply into forcus. Perhaps I can best articulate it by posing another question. What is this enormous extension of our commitments in men, money and materials around the globe to support and implement U.S. policy doing to us as a people and as a nation?

Well, for one thing, what it is doing to us under the combined military and diplomatic auspices of government by which these commitments are maintained and strengthened

is to enlarge and fortify a phenomenon which President Eisenhower warned in his memorable farewell address way back in January, 1961, could become a kind of Frankenstein monster. We now spend more for defense than virtually any other country in the world, with the possible exception of the Soviet Union and Communist China, spends for everything including defense. The Pentagon's bills today account for substantially more than half our $100 billion plus federal budget.

What worried General Eisenhower was that in the expenditure of these staggering sums we might be unwittingly building up what he called a "military-industrial complex" which would wind up, in effect, controlling the country. We haven't reached that point yet. The Defense Department and the huge defense industry corporations who are flourishing on their contracts are not calling the shots yet. But the weight of their influence is enormous. And the worst of it is that as far as the public is concerned, and in large degree as far as the Congress is concerned, too, their influence is almost invisible. Perhaps it would be more accurate to say unnoticed because it has become an accepted way of doing things. Certainly the military establishments we have built in the past in Europe and are now building or expanding in Asia are too big to be invisible.

Not to mention the Thai Harbor facilities and road complexes which will cost a pretty penny on their own when finished, the American taxpayer, without any knowledge of the transaction, is investing $800 million, call it a cool billion the way things are going, on the construction of two vast military air bases in Thailand, one near a hitherto unknown town called Udon. Now these establishments may turn out to be worth the price. For months U.S. air force planes have been flying combat and rescue missions from Thailand in support of our forces in Vietnam. But the point is nobody knows the extent of these commitments or where they will lead. Diplomatically they don't exist to save the government of Thailand embarrassment. But a billion dollars is a fair sized item even on an American expense account, and yet it is doubtful that more than a handful of key defense committee members in Congress know in any detail how and how wisely this money is being spent.

The U.S. price tag on the war in Vietnam is now pressing two billion dollars a month. Even the best Certified Public Accountant in town has difficulty grasping what such amounts mean. In Vietnam these funds involve, among other things, a great amount of construction most of which is being handled in Pentagon-approved contracts by two huge combines of American companies. This understandably is an emergency, a war-time situation. Waste is inevitable under such conditions. The men involved in making and executing the decisons in government and in industry are on the whole fine, principled, well-meaning men, some of them extraordinary and utterly dedicated men. But when the time comes to de-escalate, for instance, how much unconscious resistance will there be from the military-industrial complex with a vested interest in the American build-up.

We operate under the representative form of government and we can't hold a popular referendum every time the Marines want a new airstrip in the jungle or every time the Quartermaster wants to order hair nets for the PX. But both the Congess and the people need to be made more aware than they are aware now, of the extent of our governmentally-controlled investment and commitment in Asia. I concede it may pay off. Our position of strength in Asia looks pretty good at the moment. But naturally the military-industrial-diplomatic complex that built it wants it to look good, wants the rest of us to believe it is sound.

That's what the sergeant was saying over the Armed Forces Network this morning in that "analysis prepared in Washington." But the American system was not conceived to be of the government, by the government and for the government and no matter how wise and well-intentioned our elected and appointed representatives are, they need, every so often, to be reminded of that by a questioning public.

This is Edward P. Morgan saying good night from Tokyo.

SIGNS OF THAW IN COLD-WAR RELATIONS WITH SOVIET UNION

Mr. McGEE. Mr. President, all too often, many of us who have engaged in debate and discussion over U.S. policies in Vietnam and southeast Asia have failed to view the results of our foreign policy in overall and long-range terms.

Too often, the facts of the moment command more attention than the facts in sum.

In an excellent article in today's Washington Post, distinguished columnist William S. White has done a great deal to correct this imbalance of perspective by pointing out one of the major blessings we have been able to secure by our firm position in southeast Asia—namely, signs of an encouraging thaw in our cold war relations with the Soviet Union.

As Mr. White so correctly points out, the present warming of United States-Soviet relations ironically stems from our standing firm against Communist expansion in Vietnam. As a further irony, Mr. White observes that the very voices that have been calling for a "more flexible" attitude toward Russia are the very ones that would have had us abandon our commitment against the Communist aggression in Asia.

Mr. President, I ask unanimous consent that this excellent article be printed at this point in the RECORD.

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

[From the Washington Post, Oct. 13, 1966]

WARM WIND FROM MOSCOW—EASING OF COLD WAR POSSIBLE

(By William S. White)

A new and somewhat warmer wind is blowing in American-Russian affairs. It is possible now without foolish optimism to discern some small but perhaps significant cracks in the vast icecap of the Cold War.

President Johnson's concrete offers to the Soviet Union for a fundamental easing of tensions in Europe—perhaps eventually even some mutually agreed upon reductions in American and Russian troop forces—have opened at least a tiny crevice of a possibility for other accommodations.

It is, of course, by no means a crevasse in the iceberg. All the same it is a beginning, if only a hesitant and shaky one.

One illustration is the President's recent quite businesslike and low-keyed conversations here with Soviet Foreign Minister Andrei A. Gromyko. They talked about many things, including the possibility of some American-Russian cooperation in the long-stalled project of these two nuclear giants to halt the worldwide spread of nuclear weapons.

Winston Churchill once said in another connection of a grave matter that one should "think of it always but speak of it never." The phrase about describes the Johnson administration's current attitude toward the possibility of a genuine easement in the long struggle with Moscow. Everything touching the thing is being carefully played down at the White House and in the State Department because, of course, so many seemingly hopeful gestures toward the Soviet Union before this have ended in disillusionment brought about by a sudden hardening of the Soviet line.

Given all these caveats, however, the plain fact is that there is now at least some movement toward a lowering of the heat between Washington and Moscow.

The collateral and ironic fact, moreover, is that if there is truly any hope now for the eventual liquidation of the Cold War it rises precisely out of the steadfast firmness of the American position in Vietnam. Though the Russians are compelled for ideological reasons to talk a good deal about their support of the North Vietnamese invaders of South Vietnam, and indeed do give some actual support, they are not much happier in fact about this aggression than is the United States.

For the assault on South Vietnam is primarily an adventure at second-hand of the Chinese Communists—and it is these same Chinese Communists who are locked in a savage worldwide struggle with the Russians for primacy in the international Communist movement.

The invasion of South Vietnam is more than a design to spread China's imperialist form of communism; it also involves a mortal repudiation of the Russian policy for a co-existence with the West short of military confrontation.

Had the United States ever followed the counsel of its pacifist-isolationist wing and withdrawn its military support from South Vietnam the immediate victim would have been South Vietnam but the ultimate victim in world communism would have been the Soviet Union itself.

President Johnson and Secretary of State Dean Rusk have always understood this, just as they have always understood that our bedrock reason for being in South Vietnam was to make certain that the Chinese ideology—an idealogy demanding wide war and death—should never prevail.

Most ironical of all is that the "peace" shouters here who have so long sought to force abandonment of the American commitment to South Vietnam are the very same people who for years have been demanding of each successive Administration a "more flexible" attitude toward the Soviet Union and "more imaginative" proposals to the Russians to ease the Cold War, have run totally against the interest for easing the Cold War they have so long proclaimed.

From the moment he took office President Johnson has known that his greatest difficulty and his greatest opportunity lay not in Vietnam, as such, but rather in the infinitely greater issues of the Cold War itself. So the heart of the effort has been, first, to show that the Chinese philosophy of open aggression simply would not be permitted by us to work and, second, that if the Russions did continue to shun the more violent Chinese line and behave with some responsibility toward the world they need not consider the United States an enemy forever.

ANTIPOVERTY PROGRAM ASSISTS INDIANS

Mr. McGOVERN. Mr. President, some critics have charged that the war on poverty is not helping the poor.

I find no basis for such criticism in my State, South Dakota. Antipoverty programs have been particularly effective on our Indian reservations. Many of our impoverished Indians now live with a new hope for the future.

Mr. Ernest Bordeaux, Jr., a South Dakota Indian employed by the Office of Economic Opportunity on the Rosebud Reservation recently wrote a fine letter to the editor of the Rosebud Sioux Herald explaining the importance of the war on poverty to the Indian people. I ask unanimous consent that this excellent letter may be printed at this point in the RECORD.

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

[From the Rosebud (S. Dak.) Sioux Herald, Sept. 12, 1966]

A POOR MAN SPEAKS

A letter to the editor from an OEO employee sharply counteracts those who charge the program is not helping the poor. It speaks for itself:

"I was born in Pine Ridge Reservation and raised in Rosebud Reservation. In our family there were many of us.

"Since my father and mother had no education, we were very poor. My father used to work for farmers and ranchers. But he never made enough, and his jobs were not steady. I actually lived the poverty-stricken life and experienced this life for many years. Thank the Almighty God the ones that never experienced this life.

"No organization or agency ever reached us. The only thing that I remember we used to get was 'relief' but I can't tell you where that came from.

"I have learned that there were some agencies existing in those days for the Indians. But somehow they never reached us.

"A poor man is not an important man, and usually a forgotten man. Since he has no pull, nothing to offer, and his education is too limited, the higher class people ignore him. When he goes to an office to do his business, he is the one that usually waits the longest.

"Sometimes the so-called higher people make fun of us (and it hurts me so). I swallow the dry lump in my throat and try to forget.

"Do not think that I'm exaggerating. What I put on paper is true. I may be wrong and if I am, forgive me.

"The agencies that are helping us poor people at this time are irrigating our problems, because we do not know how to make use of the help that we receive from them.

"Example: well-to-do families teach their children how to save, how to spend, so when they grow up they have no problem.

"But us poor people cannot teach our children how to save and how to spend, because we never have enough money to make ends meet.

"When we grow up and get lots of money sometimes we spend the whole works the same day.

"Now I will sincerely say this: I thank the Almighty God for the O.E.O. program. I may be wrong, but I think this is the only program that has reached the poorest of the poor ever since the white people took over our country.

"I think this program should stay here permanently because we need it and need it badly. Through this program I have learned and experienced many things.

"It made me love my people and want to help them as far as I am able. This program teaches me that education is very important.

"Too bad that my forefathers never lived to see this day and taste the goodness of this program."

(Signed) ERNEST BORDEAUX, Jr.

THE SITUATION IN VIETNAM

Mr. MUSKIE. Mr. President, the subject of Vietnam and our policy relative to it preoccupies us all—citizens and policymakers alike—in these troubled, restless days.

Many, who are in basic agreement as to what our objectives should be, find themselves divided as to the most effective means to achieve them.

While valuing the right of dissent, and the contribution it can make to public understanding as well as to sounder policymaking, we are all concerned, I am sure, that it also, at times, generates emotionalism, confusion, and misunderstanding.

It is always refreshing, therefore, to read or to hear rational and objective analyses of the Vietnam problem. One such discussion has just come to my attention—a clear-eyed and responsible speech by State Senator Elmer Violette of Van Buren, Maine.

Senator Violette is an old friend with whom I was privileged to serve in the Maine House of Representatives in my freshman term in 1947.

He is a highly respected citizen and practicing attorney of his community and of the St. John River Valley in which it is located.

He has been an outstanding leader and legislator in the current session of the Maine Legislature.

He is respected for the qualities which are revealed in this speech—clarity of thought, objectivity, restraint, judgment, and intellectual integrity.

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

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

VIETNAM SPEECH DELIVERED BY SENATOR ELMER H. VIOLETTE, IN BANGOR, OCTOBER 11, 1966

Today I want to talk with you about Vietnam. This is a troublesome subject; it is a difficult subject. But it is one issue we must face with clear minds. What happens in that small corner of the world may well determine whether there will be a future for our children.

I have no easy answers to the Vietnam problem; there are none.

I can give you no quick formula to stop the conflict; there is none.

I do offer my conviction that we, as a nation, can approach a solution only through a clear understanding of the facts about Vietnam and a clear understanding of our objectives in that country and in southeast Asia.

Vietnam is not just a local war. It is not being fought over purely local issues. It involves the struggle for independence by those who were part of the old colonial empires, and the efforts of the new imperialists—the Communists—to exploit the aspirations and the misery of those in the underdeveloped areas of the world.

Prior to the Second World War, the nations of Western Europe had governed more than one-third of the people of the world through their far-flung colonial systems. In the 20 years since the end of the Second World War those colonial empires have been largely dismantled. We have seen the emergence of dozens of new countries in every part of the world. At the same time we have seen the forces of communism seeking to expand their frontiers through subversion and external aggression.

In the years immediately following the Second World War the force behind this expansion was the Soviet Union under Stalin, which carried the banners of communism into Poland, Rumania, Hungary, Czechoslovakia and Germany on the tanks of the Red army. The Iron Curtain, literally exemplified by the Berlin Wall, was erected to prevent masses of people from seeking and gaining freedom.

The surge of Communist expansion under Stalin's Soviet Union threatened to engulf all of Western Europe. The United States responded to the challenge with a two-pronged response. First was the Marshall plan which succeeded in restoring the economic vitality of the Western Nations of Europe. The second was the formation of NATO, a powerful military alliance backed by the full strength of America's military might.

This two-pronged approach succeeded brilliantly, and the spread of communism into Europe was checked.

As the frontiers of Europe became relatively stabilized and as the fervor of Soviet communism declined with the increased demand for a better standard of living by the Russian people, the center of Communist expansionism passed from Russia into Asia, where the Communists had seized China in 1949.

Just as the free world had moved in defense of freedom in Europe, it now became necessary to do the same thing in Asia. The first major test there came in Korea where the United Nations Forces, led by the United States, checked the aggression of Communist North Korea upon the Republic of South Korea. We acted in Korea because we could not permit the destruction of freedom by force in any corner of our shrinking globe. To have done so would have imperiled our own freedom. The next crisis came in Indochina. In 1954, the French, who had controlled the area prior to the Second World War, were forcibly ejected.

The 1954 Geneva Conference brought to a temporary close the fighting which had raged in that unhappy country since the end of World War II. That Conference provided what was intended to be the temporary partition of Indo-China into North Vietnam and South Vietnam.

Also in 1954, we created the Asian counterpart of NATO, the Southeast Asia Treaty Organization, commonly known as SEATO. Under the SEATO treaty the United States and the nations which signed that treaty pledged to guarantee existing national boundaries, including the line between North and South Vietnam which had been created by the Geneva agreement.

Since then three American Presidents—one Republican and two Democrats—have reaffirmed that treaty. On August 1, 1964, the United States Congress—by a vote of 88 to 2 in the Senate and 416 to 0 in the House—adopted a joint resolution declaring their support for this American commitment.

On this very day American fighting men are living up to that commitment in Vietnam, just as we lived up to our commitments in Iran in 1946, in Greece and Turkey in 1947, in Formosa in 1950, and in Berlin since 1948.

At the time of the partition, North Vietnam was under the firm grip of the North Vietnamese Communist Party, led by Ho Chi Minh. Incidentally, in all the controversy over South Vietnam, it should not be forgotten that there has never been a free election in North Vietnam.

Through harsh, totalitarian methods the Communists consolidated their control over North Vietnam. Meanwhile, to the south, a small country, without any national tradition, without any history of democracy, with few industrial resources, sought to create a new nation. When we Americans consider the constant turmoil and changeovers in the South Vietnamese government, we cannot afford the luxury of self-righteousness or disgust. Instead, we should seek to understand the almost unbelievably difficult conditions under which these people have sought

to build their nation. We should also remember that it took our country six years to develop a viable national government after the revolution. And the conditions for our success were far more favorable than exist in Vietnam today.

Once their control of the north was consolidated, the rulers of North Vietnam sought to extend their domination to the south, exploiting the roots of dissatisfaction. There were and are genuine elements of dissent in South Vietnam. Many South Vietnamese were and are unhappy with the form of government that they have. Stability, economic justice, and freedom, as we understand them in America, have not been achieved in South Vietnam. But there should be no question about the fact that the rebellion in the south burst into flame under Communist direction and control, and that control has increased dramatically over the past few years.

What we commonly refer to as the Viet Cong are representatives of the so-called "National Liberation Front" which claims to be an indigenous force of South Vietnamese fighting for freedom against the existing government in South Vietnam. But this argument loses much of its force when we look at the record. The National Liberation Front was created in the fall of 1960, just three months after the third party congress of the North Vietnam Communist Party endorsed a resolution calling for the creation of a front organization in South Vietnam to control and direct the subversion in that country.

Almost immediately thereafter the first of some 80,000 persons began infiltrating across the line from north to south. These 80,000 men were native South Vietnamese who had gone north after the line between the two was established in 1954, where they had since been armed and trained in sabotage and subversion. By 1964 the Communists had exhausted this reservoir of native South Vietnamese, and since then the men infiltrating from north to south have been almost exclusively native North Vietnamese. More recently the infiltration has been in the form of full military units of the North Vietnamese Army, which reached division size in late 1964 and early 1965. In addition, the recruitment of South Vietnamese by the Vietcong, often by force and terror, has dwindled markedly in recent years.

The Vietcong reliance on terror speaks louder than words about their lack of support from the people of South Vietnam. If the Vietcong were truly an indigenous group with widespread national support, they would not have found it necessary to assassinate or kidnap over 25,000 South Vietnamese civilians since 1960. In 1964 and 1965 alone, over 650 local public officials were murdered, and over 1,450 were kidnapped and never seen again. These are not the activities of a group with widespread national support.

The most decisive indication of the public feeling toward the Vietcong in South Vietnam came in the recent general election for a constituent assembly. Despite a long campaign of terror by the Vietcong in which every candidate was threatened by death, in which scores of civilians were indiscriminately murdered, the people of South Vietnam responded overwhelmingly to the call of free elections. Some seventy-five per cent to eighty per cent of the eligible electorate turned out—more than has voted in any American national election in this country's history. Now the constituent assembly is beginning its work on a new constitution.

From these facts it is clear that whatever the origin of this revolution may have been, it is now dominated by the Communist Government of North Vietnam. It is also clear that a free, democratic society could not survive in Vietnam, if left to the mercy of the Vietcong and their northern allies.

In the light of this background, it is, in my opinion, clear that the presence of American forces at this time in Vietnam is necessary. We are honoring our pledge to the people of South Vietnam to assist them in defending their right to choose their own form of government. We are honoring the commitments of the United States Congress and of three American President, just as we have honored similar commitments through three previous wars in this century.

But important as it is to understand how and why we are in Vietnam, it is even more important to answer the question: How can we end the fighting and withdraw honorably?

First, it should be clearly understood that we do not seek to "conquer." With Vietnam, or China, or anyone else. As President Johnson put it, simply and clearly in a speech earlier this year: "Our purpose in Vietnam is to prevent the success of aggression. It is not conquest; it is not empire; it is not foreign bases; it is not domination. It is, simply put, just to prevent the forceful conquest of South Vietnam by North Vietnam."

With this limited objective in mind, we should now explore the policy alternatives available to the United States as it seeks to achieve that objective.

It seems to me that there are really four basic positions that the United States could now assume in Vietnam. Every other suggestion which I have heard or read about has been a variation of one of these four. Let us look at them.

(1) The first, and easiest position to consider is immediate, total American withdrawal. This is the objective of Red China and North Vietnam. It has very little support in this country. It is, in my opinion, totally unacceptable to the overwhelming majority of Americans for several reasons: (a) it would be an abandonment of our commitments to the people of South Vietnam, thereby ending world confidence in America's word; (b) it would leave those people to the savagery of a certain Communist takeover; (c) it would imperil the freedom and independence of all of the nations of Southeast Asia; (d) it would mean that the 5,000 Americans whose lives have been lost in Vietnam will have died in vain.

(2) At the other extreme is the policy of unlimited military escalation, in an effort to achieve a quick and decisive military victory. This position also has very little support, for two basic reasons: (a) it greatly increases the risk of a nuclear holocaust in which there would be no victors; and (b) it runs contrary to the already stated American policy of limited objectives in Vietnam.

Between these two clearly unacceptable extremes, there are two more moderate positions, both of which have somewhat wider acceptance.

(3) One of these is the so-called "enclave policy," which calls for the United States to retire into several heavily fortified military enclaves, presumably around Saigon and the major ports, protecting those South Vietnamese who seek our protection. This policy has been advocated by former Ambassador to Russia George Kennan, by retired General James Gavin, and by some Members of Congress. It is, in my opinion, also an unacceptable policy, primarily because it does not appear to be calculated to achieve anything. Furthermore, its validity has been challenged by the success of the Vietnamese elections.

To discontinue our offensive military operations would enable the Viet Cong to concentrate on a few stationary targets which they could attack at will. To adopt this policy would mean the abandonment of much of the country which has been cleared of Viet Cong. To remove our protection from the villages and towns would mean certain destruction of the first halting steps toward democracy.

(4) The last alternative, and the one which makes the most sense to me, involves three separate, but interrelated efforts: (a) an intensified drive to bring the conflict to the conference table through whatever avenues are open to us; (b) controlled application of force as needed to discourage aggression and to protect the South Vietnamese against subversion, terror and military attack; and (c) acceleration of the pacification, civic education and economic assistance programs in South Vietnam.

In my opinion, any step toward reductions or cessation of bombing, or reduction of our troop movements must be considered in the light of these questions: Will it endanger the integrity of democratic government in South Vietnam? Will it really contribute toward the start of genuine negotiations?

The same questions must be applied to the proposed participation by NLF representatives in peace negotiations. I believe there are strong arguments for including them in the peace talks as belligerents. We could not, of course, do so if this implied recognizing them as the "legitimate government" of South Vietnam.

This approach is consistent with our goals in Vietnam. We want to protect freedom and encourage the growth of democracy in that troubled land. We want to insure against a relapse following the Vietnamese elections. We want to stimulate healthy political and economic growth. If we follow this approach I believe we will improve our chances of achieving peace, freedom and economic health in Vietnam and southeast Asia.

Until the recent elections we could only guess at the possible interest of the Vietnamese people in representative government. Now we know. Now we have an added incentive for protecting the first, tender shoots of democratic action. The Viet Cong have been discredited by the refusal of the citizens to obey their warnings against voting. We must be sure the Viet Cong do not have a chance to subvert the gains we have made. In addition, we must be sure the gains are not thrown away or thwarted by the Saigon regime.

I believe the twin pressures of military resistance and positive political action will bring the Communists to the conference table faster than any other combination of activities. I believe the development of viable political institutions and an intensive reconstruction program will be the best long-term insurance against the Communists.

Such a course may involve continued heavy commitments in Vietnam. It would not mean quick and easy solutions. At the same time it would not mean a dangerous escalation of military actions.

I expect we may meet setbacks on the way. The tensions between Russia and the United States, between Russia and China, and between China and the United States make it difficult to break the deadlock on starting talks. The drive to achieve political reforms will undoubtedly hit snags in Saigon and in the villages. But the stakes are very high, and worth every effort we can bend.

When we have made it possible for men and women to vote for the candidates of their choice—without fear of retaliation—we will have given democracy a real boost in southeast Asia.

When we have demonstrated that the Communists can gain nothing by military operations or subversion, we will have undermined their incentives to continue the conflict.

When we have helped rebuild the blasted hopes of the Vietnamese people, through technical assistance and economic aid, we

will have built new bridges to understanding in Asia.

Such gains will strengthen the cause of freedom and democracy throughout the world. Such gains will reduce the chance of war. Such gains will make our sacrifices worthwhile.

MOTORCYCLE SAFETY

Mr. HARTKE. Mr. President, following my last statement concerning the problem of motorcycle accidents, which appeared in the CONGRESSIONAL RECORD on September 29, I received a letter from Mr. Remmel Dudley of the Metropolitan Life Insurance Co. He enclosed with the letter a copy of the April 1966 statistical bulletin published by that company, which includes a summary of the situation and a table detailing the causes of deaths among drivers and passengers of motorcycles and scooters.

Mr. President, I ask unanimous consent that this material be printed in the CONGRESSIONAL RECORD.

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

FATAL MOTORCYCLE AND MOTORSCOOTER ACCIDENTS

Accidents involving motorcycles, motorbikes, or motorscooters have been taking an increasing toll of life in recent years. The number of deaths among drivers and passengers of such vehicles in the United States rose from 700 in 1961 to more than 1,100 in 1964, or about 60 percent. Moreover, preliminary data for 1965 indicate that the total that year had reached an even higher level. As the accompanying table shows, such fatalities had been increasing during the 1950's, but the rise was neither as rapid nor as consistent as that since 1961.

The upward trend in deaths from motor-driven cycle accidents—nine tenths of which are concentrated among males—reflects very largely the rapid growth in the use of these vehicles for transportation and recreation. According to information from the United States Bureau of Public Roads, the number of registered motorcycles, motorbikes, and motorscooters has been going up for at least a decade, with registrations accelerating in the past few years. The number rose from about 412,000 to nearly 596,000 between 1955 and 1961, then spurted to 985,000 in 1964 and to nearly 1,288,000 in 1965.

Such registrations, in fact, have increased at a faster pace than has the number of deaths attributed to accidents involving these vehicles, with the result that the deaths per 100,000 vehicles registered decreased slightly—from 118 to 115—between 1961 and 1964, and to an even greater extent since 1955; the details are given in the last column of the table.

Nearly half of those killed in motor-driven cycle accidents sustain their injuries when such vehicles collide with passenger cars. An additional tenth of the fatalities result from collisions with transport motor vehicles, such as trucks, tractors, and trailers. Altogether, collisions with other motor vehicles—including the few involving buses—account for three fifths of the accidental deaths among drivers and passengers of motor-driven cycles. Overturning, running off the road, and other non-collision accidents, as a group, are second in importance, and are responsible for nearly one third of the cycle fatalities. The remaining deaths are due almost entirely to collisions with a fixed object or with a train at a grade crossing, or to nontraffic accidents, i.e., those occurring off public highways.

The deaths from motorcycle accidents and those due to other motor-driven cycles are not shown separately in routine mortality reports. On the basis of a special study a few years ago, the National Safety Council estimated that motorscooter accidents take between 100 and 125 lives a year.* One third of the victims were under 16 years of age, one fourth were in the age group 16–20 years, and most of the remainder were under age 45. The study showed also that in a substantial majority of the fatal accidents, operators of scooters were committing traffic violations.

A study made by the New York State Department of Motor Vehicles on fatal and nonfatal motorcycle accidents occurring in the State during 1962 likewise indicated that a large proportion of the accidents were associated with dangerous practices—reckless driving, proceeding without the right of way, excessive speed, and following too closely.† Inclement weather, on the other hand, was not an appreciable factor; nine tenths of the motorcycle accidents occurred when the weather was clear and dry.

In order to stem—and reverse—the rising death toll from motorcycle and other motor-driven cycle accidents, it is necessary to focus greater attention on the safer use of these vehicles. Safety experts suggest that special training programs be set up for the operators of motorcycles and scooters, and that they be licensed only on the basis of appropriate qualifying tests. Furthermore, inasmuch as a large proportion of fatalities among cyclists result from head injuries, both drivers and passengers should be encouraged to wear safety helmets.

Deaths among drivers and passengers of motor-driven cycles,[1] by type of accident, United States, 1955–64

Year	Number of deaths						Deaths per 100,000 vehicles registered
	Total	Traffic accidents				Nontraffic accidents	
		Collision with—			Overturning, running off roadway, and other noncollision accidents		
		Other motor vehicle	Fixed object	Railway train			
1964	1,132	695	66	14	337	20	114.9
1963	891	544	43	9	279	16	113.3
1962	769	462	34	10	244	19	116.4
1961	702	442	37	5	200	18	117.8
1960	737	428	40	7	245	17	128.4
1959	770	448	34	18	254	16	136.2
1958	665	399	28	12	209	17	127.6
1957	759	438	39	5	258	19	161.9
1956	666	391	33	8	221	13	154.3
1955	625	338	33	9	233	12	151.6

[1] Motorcycles, motorbikes, and motorscooters.

Source of basic data: Deaths, from reports of Vital Statistics Division, National Center for Health Statistics; motorcycle registrations, from reports of the Bureau of Public Roads, U.S. Department of Commerce.

DISGRACE ON FOREIGN ASSISTANCE

Mr. McGOVERN. Mr. President, two great American newspapers, which maintain their own extensive foreign affairs staffs, have condemned the efforts now being made here in Congress to hamstring foreign assistance and the Food for Peace Act.

The New York Times said in an editorial Sunday that we have hedged foreign aid with restrictions that "extract from the program almost the last ounce of idealism and humanitarianism."

The Times adds:

The House insists on hamstringing administration of the new $7.4 billion Food for Peace bill by barring food to countries trading with North Vietnam or Cuba. This would deny help to starving India unless it cuts off export of Jute to Cuba (for making sugar bags) that earn $600,000 a year in foreign exchange.

The Times includes the proposed restrictions on food for peace in what it terms conduct "disgraceful for the richest Nation in the world."

The Washington Post, in an editorial October 7, strongly urged that the Senate stand firm in its position that the President should have discretion to make food-for-peace sales in the national interest.

I ask unanimous consent that the Post editorial appear in the RECORD.

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

[From the Washington Post, Oct. 7, 1966]

FOOD AID IMPASSE

A heavy responsibility will fall on Senate representatives when conference committee discussions are re-opened on the Administration's "Food for Peace" bill. The margin of the House vote banning food aid to countries carrying on trade of any kind with North Vietnam or Cuba—306 to 61—does not leave a wide area for compromise. Yet a compromise remains necessary and inescapable unless the United States seriously means to turn its face in mindless spleen from hungry millions abroad.

In its initial compromise two weeks ago, the conference committee wisely distinguished between trade in strategic materials and innocuous commerce such as the sale of burlap sacks to Cuba by India and Pakistan, or of corn to Cuba by Brazil. Brushing this aside in the House on Wednesday, a Representative said that if the Indians wanted U.S. food, they could afford to give up $600,000 per year in burlap sales. This

*"NSC Motor Scooter Study," Safety Education, March 1960, p. 24.

†State of New York Department of Motor Vehicles, "Motorcycle Accidents in New York State in 1962," Statistical Bulletin No. 2, 1963.

reflects an arrogance which would be unfortunate enough in any area of American relationships with other countries. In the field of food aid, however, such an attitude is especially regrettable because it so totally disregards the humanitarian purposes served by the "Food for Peace" effort.

The overriding reason for U.S. food sales on concessional terms is a moral one: that the United States wallows in luxury and affluence while a majority of the world scrimps, scavenges and in some cases literally starves. At a time when television commercials offer us ever enriched preparations to tempt our blase dogs and cats, the streets of Calcutta and Karachi are lined with homeless children who live from day to day. It would seem beyond all argument that in the food area, if nowhere else in the whole range of foreign economic policy, the United States should forgo any attempt to attach political strings to its assistance. To play politics with food would be to capitalize on the despair of fellow humans for self-interested ends and to victimize nameless unfortunates for what their governments do.

Although we hope that the eight House conferees led by Rep. HAROLD D. COOLEY will make a genuine effort to arrive at a compromise, the principal responsibility for repairing the damage of the Wednesday vote clearly lies with these Senate conferees: Senators ELLENDER, HOLLAND, TALMADGE, JORDAN, MCGOVERN, AIKEN, YOUNG and COOPER.

We believe that the Senate should stand firmly on one of two possible compromises.

The first would put in the hands of the President the authority to decide whether food sales to particular countries clash with the national interest.

A second, less acceptable alternative, would limit the congressional ban to trade with North Vietnam.

It is to be hoped the conferees will embrace the first of these betterments of the bill that has left the House.

THE 200TH ANNIVERSARY OF RUTGERS UNIVERSITY—ADDRESS BY VICE PRESIDENT HUMPHREY

Mr. WILLIAMS of New Jersey. Mr. President, Rutgers University, the State university of New Jersey, was honored recently when Vice President HUBERT H. HUMPHREY spoke at its bicentennial convocation. At that time he had high praise for Rutgers and for the role that universities play in developing our great society. He spoke of the importance of academic freedom in developing new and challenging ideas. As he said so eloquently, "If universities break ancient molds, they also create new truths." This is certainly true of Rutgers University, a vital and growing institution which is building on a great academic heritage stretching back over 200 years. I know Vice President HUMPHREY'S eloquent address will be of interest to my colleagues, and I ask unanimous consent that it be printed in the RECORD at this point.

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

REMARKS OF VICE PRESIDENT HUBERT HUMPHREY AT THE 200TH ANNIVERSARY OF RUTGERS, SEPTEMBER 22, 1966

I am both happy and proud to be with you and to be so honored on such an important occasion for this great and growing university.

As many of you know, I am a refugee from the classroom, and every chance I have to return to a university—not to mention the chance for an honorary degree—helps me keep my credentials as a political science professor in order. In fact, my first experience as a Vice President was as vice president of the American Political Science Association.

The business of politics is not the most secure in the world, and it doesn't hurt to have a little insurance.

Rutgers University is today celebrating its bicentennial as a strong and free institution only a short time after that strength and freedom were directly threatened.

A year ago, in the heat of political controversy, and under threat of dire retribution, your distinguished President, faculty, and Board of Governors—supported by an alert and dedicated student body and by the courage of the Governor of this state—were adamant in protecting the right of dissent. (You were adamant I might add, even though most of you, as I was, were in disagreement with the dissenter.)

You and Governor Hughes were vindicated at the polls by the people of New Jersey.

You gave concrete meaning to the spirit of the Bill of Rights and gave active defense to the eloquent proposition of Henry Thoreau:

"If a man does not keep pace with his companions, perhaps it is because he hears a different drummer.

"Let him step to the music which he hears, however measured or far away."

I should like on this occasion to say a word or two about the place of dissent—of academic freedom—in a democratic society.

Academic freedom is not just an academic matter. It is both the symptom and the cause of the other freedoms we enjoy.

As John Milton and John Stuart Mill understood in past centuries, the right of free inquiry and of responsible dissent is society's self-correcting mechanism.

In a more modern idiom, it is our self-regulating system of "feedback."

There is no party, no Chief Executive, no Cabinet, no legislature in this or any other nation, wise enough to govern without constant exposure to informed criticism.

If responsible political leaders do not always follow the advice of dissenters, it is not because such advice is ignored or summarily dismissed.

It is because in submitting the advice to the test of perceivable consequence, it may not, at a given moment, make sense.

I know from long personal experience in Washington that few responsible academic proposals are actually lost.

Some are diffused; most are modified by the dialectic of academic as well as political discourse.

But as Lord Keynes once pointed out, in terms of fundamental origins, public policy *is* largely the product of some "academic scribbler."

It seems to me that academic freedom permits universities at their best to perform three cardinal services for government and for society as a whole.

First, it enables them to challenge orthodoxies.

Second, it enables them to fashion laws of nature—including laws of human nature.

And third, it enables them to promulgate options. Let me say a word about each of these.

Twenty years ago, President Truman signed the Employment Act of 1946. This act, as you remember, established the Council of Economic Advisers, as well as a Joint Economic Committee in the Congress.

It mandated that the President submit to the Congress each year an Economic Report which would describe the economic state of the union and which would recommend policies aimed at promoting maximum production, employment, and purchasing power.

The background of this Act, and the policy recommendations which have emerged from the Council since its passage, are rooted in a largely academic challenge to economic orthodoxy.

For generations, classical economics had rested on the assumptions that market mechanisms were automatic and immutable, and that government interferences in the operations of the market should be limited essentially to credit adjustments by the Federal Reserve and to cutting public expenditures in times of depression.

I need not trace for this audience the intellectual and policy battles of the past generation associated with the so-called Keynesian revolution.

I can only say that this battle—begun by academic scribblers—has produced a revolution in economic thought and in public policy and has immeasurably benefited our country.

If universities break ancient molds, they also create new truths.

The investments in university research of the National Science Foundation, the National Institutes of Health, the Department of Defense, the Office of Education, AEC, NASA, and other federal agencies is testament to the key role that new knowledge plays in human progress—both technical and social.

A few years ago when Nikita Khrushchev visited the United States, he was astounded by our agricultural productivity.

American agriculture is in large part a success story because, for generations, federal and state governments have supported our Land Grant colleges and their agricultural experiment stations.

Our agricultural scientists have discovered new truths. They have uncovered laws of nature which have unlocked the secrets of plant and animal productivity.

Today, as chairman of the newly created National Marine Sciences Council, I have great hope that we may develop our marine resources as we have our agricultural resources. There is pending in the Congress legislation to create Sea Grant colleges to develop and bring new knowledge to our exploration of the ocean.

And there is no question of the roles that our universities have played, for instance, in developing new materials, processes and management techniques in our federal space and atomic energy programs.

I predict a revolution in educational theory and practice in the next two decades as a result of public and private investments in such fields as motivation and learning.

Social psychology, modern genetics, and the new exciting sub-field of zoology known as ethology are making astounding breakthroughs which cannot help but affect the future of public policy and the fate of the human race.

President Johnson's unprecedented support of education, at all levels, attests to his belief that the truth will make us free.

But for the responsible policy-maker in government, perhaps the university's most immediate contribution is not the challenging of ancient orthodoxies, or the discovery of new truths, but the creative construction of policy options.

In more cases than you can possibly know, we in Washington turn to the learned professions and to the universities for guidance in forming new programs.

A half-century ago, the University of Wisconsin, under the leadership of John R. Commons, was the policy center of America in such fields as social insurance and welfare economics.

Virtually everything that has happened since at the state and federal level in these critical areas of humane public policy is the legislative derivative of their pioneering work.

It was President Roosevelt who gave currency to the term "brains trust." His major advisers in developing the experimental pol-

icies of the New Deal were university professors. And, since that time, professors have increased their influence.

There are no fewer than 7 ex-professors in the President's Cabinet of 12.

And the term "in-and-outer" has become almost as well known as "brains trust."

Today, Washington is brimming with visiting advisers, witnesses, consultants, and technical experts from our universities in every field of human knowledge.

Washington National Airport, at any point in time during the day, includes, in transit, a faculty which—if kept together—would create one of the world's most distinguished institutions of higher education.

These professors are valuable to Washington precisely because they are unfettered, and because they often have an opportunity to see beyond the immediate urgencies and rigidities of on-going operations. And for the same reason they are increasingly being put to work as well by progressive private corporations, financial institutions and labor unions seeking the objective, unbiased view in their decision-making process.

If these professors were controlled and cowed they would be valueless.

They can produce policy options precisely because they are once removed from the inertias and compulsions of operating assignments.

And here let me come to the immediate and specific.

In the past months and years, no problem has burdened the minds of your national political leaders more than the conflict in Southeast Asia.

Men of good will both in Washington and in academic life have differed in diagnosis, prognosis, and therapy.

It would be tragic if authoritarian governments were to mistake our discourse and dissent for weakness, for our diversity is the basis for our unity. And our intellectual pluralism is the friend rather than the enemy of responsible political decision-making.

Our goals in Southeast Asia are clear: They are to help the nations of that part of the world maintain their independence and to help them build strong and progressive societies.

But our means towards these goals are both flexible and pragmatic.

Military force, at this juncture, is necessary.

It is necessary not because it is adequate, but because it establishes minimal conditions for undertaking long-range political, economic, diplomatic and social accommodations which are the only ultimate guarantors of long-range stability and independence in that part of the world.

Let me emphasize that it is in these complex areas of long-range accommodation that your government needs all the help it can get from the academic community.

We need the help of universities in breaking orthodoxies in our own thinking.

We need scholars to tell us about the orthodoxies, stresses, strains and motivations of the Asian powers with which we are presently at odds.

Above all, we need the help of universities in thinking through viable, practical, pragmatic options aimed at securing our long-range goals in Asia.

I have said many times, since my recent missions to Asia and the Pacific, that one of the highest priorities in our country should be the expansion, both in quality and quantity, of our programs of study concerning that part of the earth. For—no matter how much we would deny it—the great majority of us are comparatively ignorant when it comes to any part of the world but Europe and North America.

Things are changing. But they cannot change fast enough. Our universities, and our secondary schools as well, must expand their programs of Asian and Pacific studies, as you are doing at Rutgers. They must, in fact, expand their programs of study concerning all the unfamiliar, overlooked parts of the world.

For it is in precisely these places that the small disorder—unseen and misunderstood—can grow to the larger conflict which might threaten the general peace.

In the nuclear age, we can no longer afford the luxury of international ignorance.

Nor can we, as a world power, afford a half-world knowledge.

Let me say two things in the way of conclusion.

First, the need for university concern and help is just as urgent in meeting our problems at home as it is in meeting those in the world.

Rutgers is in the middle of one of the greatest urban agglomerations in the world. Your Urban Center and your Eagleton Institute are already nationally recognized for their concern with the politics and administration of state and local jurisdictions.

But my guess is that Rutgers would be the first to admit that it has only scratched the surface of its responsibility to its surrounding communities.

Transportation, air and water pollution, slums, poverty, ill-health, racial discrimination, inadequate schools, truncated opportunity, unfulfilled lives—these social cancers cannot be wished away.

The total resources of our universities will have to be mobilized against our urban problems if old orthodoxies are to be broken, new truths are to be found, and new policy options are to be developed.

Just as isolation in the world is something our nation cannot afford, so is isolation in the community something our universities cannot afford.

There are a few universities today in America—but all too few—which have committed themselves to meeting the problems of their communities.

Most of our universities are aware of the availability of federal funds for studies and activities in the urban environment. Some have made use of them.

But what is to prevent more of our universities, as a few have, from committing their *own* resources to the problems of urban and metropolitan life.?

What is to prevent more of our universities from putting to work some of the lessons learned in space-age technology and management—to the lessons of interdisciplinary cooperation; the application of the systems approach—in meeting more earthly challenges?

I believe our faculty members should not be judged by publication alone, but also by standards of teaching and *participation*.

I talked about this problem not long ago with an academic friend. His response was: "Isn't it enough for us to educate well the young men and women who will be the next generation of urban leaders?"

Yes, it is important, but it is not enough. Education is enriched as it is strengthened by experience.

Beyond this, what makes us think that these young men and women will become active participants in urban life if their education has not turned them toward that path?

I know that some of you may regard me as being too much an applied scientist. But I have never believed that knowledge should remain either in books or in the minds of the few. It should be *used* for the benefit of the many.

Earlier this week at Howard University I made several specific proposals, some of which I will repeat here. (I've always believed in repetition as an educator.)

I believe universities should take the lead in organizing non-profit housing corporations which, in turn, could take full advantage of special federal programs for low-income housing.

I believe universities—working with business and labor—should seek new ways to train unskilled and hard-core unemployed workers.

I believe universities should unite to promote actively equal employment opportunity in their own hiring of professional and administrative employees—as well as requiring such standards from all firms with whom they do business.

I believe universities should send both faculty members and students into our urban ghettoes to help overcome generations there of educational and cultural deprivation. What better place for "laboratory" work?

I believe universities should take far more seriously their responsibilities to the quality of teaching and of research at small colleges and schools without adequate resources.

I believe, in short, our universities should see as *their* responsibility the problems of 20th century urban society which crowd, in many cases, right up to the edge of their well-tended campuses.

There is no question that academic freedom and academic responsibility are joined together.

You showed academic responsibility a year ago when you stood firmly in the path of those who threatened the right of dissent.

But there are other kinds of academic responsibility as well.

One of these I have just alluded to: It is the responsibility of the academic world not to draw apart from the real world. Who among us can doubt that the existence of poverty . . . of discrimination . . . of outmoded and inefficient local government are as much a threat to academic freedom as they are to the freedom of the general citizenry?

There is another responsibility too—and I speak of this responsibility as one who has been on both the giving and receiving end of academic advice and recommendations.

This is the responsibility of those in academic life to base their pronouncements upon fearless and objective examination.

Unless recommendations stem from knowledge rather than untutored emotion . . . unless a sense of concern is matched by the capacity for hard analysis, the academic dispenser of idea or giver of advice does himself a disservice.

The world is filled with the noise and clash of opinion. It is woefully shy of dependable knowledge.

In a society which needs and values your independence—your "league of notions"—the greatest threat to academic freedom would be the failure of those who prize it most to live up to their own canons of responsibility.

Let me make myself clear. I do not believe that our country is passing through a period of academic irresponsibility. Quite the contrary.

But I do believe that we cannot, in this age both of danger and promise, demand anything less of ourselves than the most stringent standards.

Now, more than ever, the great work of challenging orthodoxies, discovering truths and establishing options is a necessity for human survival and progress.

May we approach that work with humility, with discipline, and with responsibility. In doing so, we shall make our freedom the more secure.

INTERGOVERNMENTAL COORDINATION OF PLANNING AMONG FEDERAL, STATE, AND LOCAL OFFICIALS

Mr. MUSKIE. Mr. President, on September 2 of this year, President Johnson

issued a special memorandum calling for the coordination of development programs and planning at the Federal level, and for Federal cooperation with State and local development agencies in establishing common planning bases and in sharing facilities and resources.

The memorandum specifically recognizes the need for "comprehensive planning" in solving State, metropolitan and regional problems, and calls for an end to "conflict and duplication" where Federal assistance is involved. It also recognizes that the boundaries for federally assisted development and planning districts should be the same as those of comparable State districts.

In the flurry of executive and legislative business, this September 2 memorandum may have been missed by many of my colleagues. It is an extremely significant document. I hope it represents the beginning of a renewed Executive effort to put the Federal administrative house in order, and to develop a more effective intergovernmental relationship between Federal administrators in Washington and the field, and their State and local counterparts.

The fact that the President is concerned about this problem of intergovernmental coordination should now be a signal to department heads to get moving in this area, and develop an effective policy of metropolitan and regional development before the physical and human crises of our cities and rural areas become unmanageable.

Mr. President, I ask unanimous consent that the text of the President's memorandum be inserted at this point in the RECORD.

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

COORDINATION FOR DEVELOPMENT PLANNING

(Memorandum From the President Requesting Coordination at the Federal Level, September 2, 1966).

Memorandum to: Secretary of Commerce; Secretary of Health, Education, and Welfare; Secretary of Housing and Urban Development; Secretary of Interior; Secretary of Agriculture; Director, Office of Economic Opportunity; Co-Chairman, Appalachian Regional Commission; Director, Bureau of the Budget.

Subject: Coordination for Development Planning

The Federal Government, through a number of departments and agencies, is now authorized to require and assist State and local governments and specialized agencies to formulate and carry out development plans.

Comprehensive planning covering wide areas is a promising and extremely important beginning to the solution of critical State, metropolitan, and regional problems. It is essential that it be done well.

At the Federal level, we must coordinate our efforts to prevent conflict and duplication among federally-assisted comprehensive planning efforts.

This should have two aspects:

State and local development planning agencies should be encouraged to work together in using common or consistent planning bases (i.e., statistical and economic estimates), and in sharing facilities and resources.

Boundaries for planning and development districts assisted by the Federal Government should be the same and should be consistent with established State planning districts and regions. Exceptions should be made only where there is clear justification.

I am requesting the head of each of the departments and agencies concerned with these matters to work with the Director of the Bureau of the Budget to insure the fullest coordination in fixing the boundaries of multijurisdictional planning units assisted by the Federal Government.

Mr. MUSKIE. Mr. President, we have been talking about this problem of intergovernmental relations for far too long. Now is the time to put our words and studies into a solid, active policy of intergovernmental cooperation—to use the best resources and manpower at every level to zero in on the big problems of public development and solve them.

The President's call for action in his memorandum is particularly gratifying to those of us who for some time have been trying to identify and emphasize the real dangers we face for the future in our Federal system if we do not bring some order out of the chaos of proliferating public programs, haphazard planning, and conflicting governmental authorities. With 173 Federal aid programs, administered by 13 Federal departments and agencies through more than 125 bureaus and hundreds of State and local offices, we can no longer tolerate administrative inefficiency and confusion at the Federal level. With over 92,000 units of local government, each with its own degree of independent autonomy, taxing and financing power and operating capability, there is an obvious need for developing jurisdictional and planning coordination at State and local levels. And with an anticipated growth in population to 225 million by 1975, 80 percent of which will be crowded into our urban metropolitan areas, there is a critical need for establishing comprehensive governmental machinery to cope with the local public services the people of this country will demand.

Earlier this year, in a speech on this floor—March 25—I warned that there was too much tension and conflict in the implementation of Great Society programs—from top Federal policymakers to State and local officials—and I called for a wholly new policy of coordinating Federal aid, and working with the State and local governments to help them improve their administrative effectiveness and to meet the growing demand for more and better public services.

The point that I made then—and I repeat it now—is that during the past five sessions of Congress we have concentrated on brave new substantive programs for social and economic development, but now the spotlight must be shifted to procedures for making these programs work in the fastest and most effective way. We must take a hard look at our federal system of government, and see where it is failing to meet the challenge of the 1960's and of the decades to come.

In my speech I made some 13 suggestions which I felt would provide a good beginning in the modernization of our administrative machinery and better working relationships between Federal, State, and local governments. The President's memorandum is, in part, a response to some of these suggestions. Two of my proposals, however, require the mandate and support from Congress, whose responsibility for strengthening our federal system is equal to that of the executive branch.

The first such area concerns the development of a new, comprehensive Federal-aid program designed to help State and local governments upgrade their public service and improve their intergovernmental cooperation in the personnel field. This is the subject of the proposed Intergovernmental Personnel Act of 1966, S. 3408, which I introduced on this floor on May 25, and on which hearings have been held.

The second area involves the establishment of a new, and permanent, operating unit in the Executive Office of the President for developing and enforcing the coordination of Federal programs and policies, for resolving interdepartmental conflicts, and for keeping in constant touch with State and local leaders to encourage their cooperation in joint-action programs. This is the subject of S. 3509, which I introduced June 15, 1966.

These two legislative proposals, together with S. 561, the intergovernmental cooperation bill presently being considered by the House, could provide a very creative and far-reaching effort toward developing a total governmental approach to economic and social development problems in line with the President's desires and instructions.

Mr. President, recently the Advisory Commission on Intergovernmental Relations, which is a bipartisan organization established by Congress to inquire into Federal, State, and local relations, reported on intergovernmental problems with respect to the antipoverty program. The Commission found problems of confusion and duplication in the administration of an increasing number of Federal grant programs affecting the war on poverty, particularly within the same geographical areas. The Commission recommended:

That States authorize and encourage the creation of multicounty bodies to undertake various planning and development programs in nonmetropolitan areas;

That where States have taken such action, Federal agencies administering grants for planning and development be required, by statute or Executive order, to first, require use of the geographic base established pursuant to such State action as a condition of Federal grants in such areas; second, use, to the extent feasible, such agencies as recipients of such grants; and third, where other than the multipurpose agency is used, require adequate checkpoint procedures to assure coordination with, and maximum use of, the resources of such agencies.

I am informed that the Advisory Commission's recommendations and study were given careful consideration by the Executive Office of the President, and that the Commission staff was asked to assist in helping to implement the second part of its recommendations set forth above. It is significant that the President's memorandum specifically instructs that boundaries for planning and

development districts assisted by Federal programs be the same and consistent with those established by the States, which is in line with part of the Commission's recommendation.

I am also informed that with respect to the first part of the above recommendation, the Commission has drafted a suggested State statute authorizing and providing State financial assistance for regional planning and development commissions. This model act will be distributed to State officials in the Commission's "1967 State legislative program."

As a member of the Advisory Commission on Intergovernmental Relations, I am extremely pleased with the assistance which its staff has given in the development of this executive policy on program coordination.

Finally, Mr. President, I should like to advise my colleagues in the Senate and in the House and all other persons interested in this important governmental area, that the Subcommittee on Intergovernmental Relations of the Committee on Government Operations will begin hearings on November 16 of this year with respect to the problems of managing Federal grant-in-aid programs at Federal, State, and local levels, giving particular consideration to the merits of S. 3509, which would establish a National Intergovernmental Affairs Council in the Executive Office of the President, and to Senate Joint Resolution 187, introduced by the junior Senator from Massachusetts [Mr. KENNEDY], which authorizes an inquiry into the need for an informational service system for State and local public programing and planning.

I expect these hearings to be extensive and comprehensive—to go to the heart of intergovermental coordination and management problems and identify the obstructions, conflicts, and misconceptions which are putting our Great Society programs in jeopardy, and which, if allowed to continue, may in time undermine the basic foundation of our federal system.

The inquiry will be more than a search for immediate legislative solutions to the problems of governmental management. It will be an in-depth assessment of the capability of our federal system of government—National, State, and local—to meet the changing and burgeoning public needs of the generations to come.

PRESIDENTIAL PEACE TEAM

Mr. McGOVERN. Mr. President, recently the editor of the Boston Globe suggested that it might be helpful for the President to name a five-man peace team of distinguished Americans to look for new possibilities for negotiating a settlement of the Vietnam war.

This suggestion would seem to be one that should be carefully evaluated. It is quite possible that officials closely involved in the day-to-day conduct of policy could overlook imaginative opportunities that might lead to a breakthrough to the conference table.

I ask unanimous consent that the Globe's editorial of September 20 and a follow-up editorial of September 21 be printed at this point in the RECORD.

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

[From the Boston (Mass.) Globe, Sept. 20, 1966]

FOR A VIETNAMESE PEACE

Those who debate world problems in the famous glass house on New York's East River will not be throwing stones today. They will be thinking and talking about peace, and how to get it.

For the war in Viet Nam is on the mind of every one of the delegates from 117 member countries of the United Nations as its General Assembly convenes. It is not technically on the agenda, but to all intents and purposes it should be and it is.

On Monday Pope Paul VI, speaking as the conscience of all humankind, appealed once again, as he had done in a personal visit almost a year ago, for an end to the war before it is "too late."

"We cry to them in God's name to stop," he said of the belligerents. "Men must come together and work out concrete plans and terms in all sincerity. A settlement should be reached now, even at the expense of some inconvenience or loss, for it may have to be made later in the train of bitter slaughter and involve great loss."

He warned of "a more extensive and more disastrous calamity that endangers the human family."

POPE PAUL AND U THANT

His was a powerful voice for peace, and it will be heard "round the world," but will it be heeded? Even as the Pope was issuing his encyclical, U.N. delegates were mulling over a gloomy year-end report from Secretary General U Thant, a report so pessimistic that little hope was held out that he might change his mind about retiring by the year's end.

U Thant said the real issue was "the survival of the people of Viet Nam. . . . It can be resolved not by force but by patience and understanding, in the framework of a willingness to live and let live." And he added:

"I see nothing, but danger in the idea, so assiduously fostered outside Viet Nam, that the conflict is a kind of holy war between two powerful political ideologies."

Here again were words the world should heed—but will it do so?

The administration in Washington continues to offer unconditional peace talks but at the same time keeps stepping up the war each time a previous step-up fails of its purpose.

And the Vietnamese Communists, North and South, continue to rebuff all suggestions of peace talks unless the American troops are withdrawn.

Where, then, can a basis for negotiation of an honorable peace be found?

While everyone is searching for it, a little noticed fact is worth pointing out. In 1964, before escalation began to bring their number to the present 325,000, there were 18,000 American troops in South Viet Nam; right now, there are 25,000 in Thailand.

Where will it all end?

THE CRITICISM GROWS

The frustration of the vain search for peace has led once again to a decline in President Johnson's popularity well below the 50 percent mark. His critics are more and more vocal.

Last week-end they were joined by Richard N. Goodwin, former adviser and speechwriter for Presidents Kennedy and Johnson. He proposed a national organization to unite all critics of administration policy. He urged as its slogan the one President Johnson used in 1964: "No wider war."

The bombing of North Viet Nam, he said, "has been a failure and may turn out to be a disaster." The answer, he added, is not to make the war bigger but to fight more effectively in South Viet Nam while searching more diligently for a settlement.

Substantially the same argument, but without the direct criticism of President Johnson, has been made by historian Arthur M. Schlesinger, Jr., another former aide of both Presidents.

He calls, in the N.Y. Times magazine, for slowing down the war, not stepping it up. He wants the bombing of North Viet Nam tapered off, for the tactic has clearly failed. He says the administration has not pursued negotiation "with a fraction of the zeal . . . with which it has pursued war," and the Viet Cong "have been given little reason to think we will negotiate about anything except their unconditional surrender."

As a precedent, Schlesinger urges President Kennedy's Laotian settlement of 1962. This recognized the existence of all three contending factions.

"The object of the serious opposition to the Johnson policy," he writes, "is to bring about not an American defeat but a negotiated settlement."

THE PRESIDENT'S ANSWER

The critics, then, are making use of the wide impression that despite all its words about unconditional peace talks, the administration has really been pressing for a military victory instead.

Without fanfare or publicity, President Johnson has been striving to correct this impression. Not until Monday was it revealed in an article by columnists Rowland Evans and Robert Novak, that for six weeks diplomatic trouble-shooter Averell Harriman has been in charge of a "Peace Desk" in the State Department, with orders to follow up every stray clue that could lead to serious peace talks.

Mr. Harriman, it is said, has a blank check to take any initiative, go anywhere he wants to abroad, and delve into all U.S. intelligence secrets.

But if such a program is to have a better-than-zero chance of success, talk of nuclear threats must be firmly ruled out, and the process of escalation must be reversed because it has been tried and failed.

In this connection, it is regrettable that former President Eisenhower, while opposing any massive nuclear attack unless we are ourselves attacked, saw fit to declare Sunday that in "sticky situations" one should be able to "use a proper kind of nuclear weapon sometime. I just don't see any difference between gas warfare and this kind of warfare." This is a terrifying remark.

The kindest thing to say of this statement is that he should read the Geneva Convention, which bans gas warfare.

ANOTHER PROPOSAL

If, then, a nuclear war can be discouraged instead of encouraged, and the Vietnamese war can be deescalated, a way may be opened for peace talks and an honorable settlement. Such a result is so important to the nation that perhaps more than a "Peace Desk" in the State Department is needed.

It might help if the President appointed a five-man peace team, to be headed perhaps by Ambassador Harriman, but whose other members were also eminent and imaginative Americans with the highest credentials, not subservient to the State Department but responsive and responsible to the President.

Such a commission could win recognition where it is most needed of Washington's sincere desire for an honorable peace. Some such concrete move is necessary if the noble appeals of Pope Paul VI and U Thant are to be heeded in time to prevent utter disaster.

[From the Boston (Mass.) Globe, Sept. 21, 1966]

WHY A PEACE TEAM?

The Globe suggested Tuesday that President Johnson appoint a five-man peace team,

headed perhaps by Ambassador Averell Harriman and responsive and responsible only to the President. The group would have full authority to follow up every clew that could lead to peace talks.

The argument against such a team is that the State Department and Mr. Harriman in particular are already charged with finding ways to peace, and another commission would be superfluous. But would it? Rightly or wrongly, too many people here and abroad think the department has not been too effective.

The peace team would operate outside the department, but with access to all intelligence and with sufficient stature to talk with the President. Naming it should be easy for Mr. Johnson. It would not mean per se a shift in the President's conduct of the war. Its impact on the United Nations would be great. And what is there to lose?

Even if it found no specific path to peace, such a team could have an immense propaganda effect everywhere—convincing evidence that the administration was trying. That is important, both to our allies and the uncommitted nations. It is important because of the present wide impression abroad that Washington is more interested in increasing the bombing than in seeking peace talks, despite all the official words. This impression must be changed.

Naming a peace team would show some initiative in the right direction. It would be positive, not negative. It might even develop some fresh ideas for Secretary of State Rusk, who seems short of originality.

Why not give the suggestion a try?

CORRECTION IN ENROLLMENT OF H.R. 698

Mr. MANSFIELD. Mr. President, I send to the desk a resolution on behalf of the distinguished Senator from Washington [Mr. JACKSON], and ask for its immediate consideration. It is purely technical in nature.

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

There being no objection, the concurrent resolution (S. Con. Res. 113) was considered and agreed to, as follows:

S. CON. RES. 113

Resolved by the Senate (the House of Representatives concurring), That the Clerk of the House of Representatives of the United States be authorized to correct an enrolling error in H.R. 698, to provide for the establishment of the Guadalupe Mountains National Park in the State of Texas, and for other purposes, and that section 3(a) of H.R. 698, shall when corrected read as follows:

"When title to all privately owned land within the boundary of the park, subject to such outstanding interests, rights, and easements as the Secretary determines are not objectionable, with the exception of approximately 4,574 acres which are planned to be acquired by exchange, is vested in the United States and after the State of Texas has donated or agreed to donate to the United States whatever rights and interests in minerals underlying the lands within the boundaries of the park it may have and other owners of such rights and interests have donated or agreed to donate the same to the United States, notice thereof and notice of the establishment of the Guadalupe Mountains National Park shall be published in the Federal Register. Thereafter, the Secretary may continue to acquire the remaining land and interests in land within the boundaries of the park. The Secretary is authorized, pending establishment of the park, to negotiate and acquire options for the purchase of lands and interests in land within the boundaries of the park. He is further authorized to execute contracts for the purchase of such lands and interests, but the liability of the United States under any such contract shall be contingent on the availability of appropriated or donated funds to fulfill the same."

AMENDMENT OF WASHINGTON METROPOLITAN AREA TRANSIT REGULATION COMPACT

Mr. TYDINGS. Mr. President, I ask that the Chair lay before the Senate the House amendments to S. 3488.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 3488) to grant the consent of Congress for the States of Virginia and Maryland and the District of Columbia to amend the Washington Metropolitan Area Transit Regulation Compact to establish an organization empowered to provide transit facilities in the National Capital Region and for other purposes and to enact said amendment for the District of Columbia, which were, to strike out all after the enacting clause and insert:

That the Congress hereby consents to, adopts and enacts for the District of Columbia an amendment to the Washington Metropolitan Area Transit Regulation Compact, for which Congress heretofore has granted its consent (Public Law 86–794, 74 Stat. 1031, as amended by Public Law 87–767, 76 Stat. 764) by adding thereto title III, known as the Washington Metropolitan Area Transit Authority Compact (herein referred to as title III), substantially as follows:

"TITLE III

"Article I

"Definitions

"1. As used in this Title, the following words and terms shall have the following meanings, unless the context clearly requires a different meaning:

"(a) 'Board' means the Board of Directors of the Washington Metropolitan Area Transit Authority;

"(b) 'Director' means a member of the Board of Directors of the Washington Metropolitan Area Transit Authority;

"(c) 'Private transit companies' and 'private carriers' means corporations, persons, firms or associations rendering transit service within the Zone pursuant to a certificate of public convenience and necessity issued by the Washington Metropolitan Area Transit Commission or by a franchise granted by the United States or any signatory party to this Title;

"(d) 'Signatory' means the State of Maryland, the Commonwealth of Virginia and the District of Columbia;

"(e) 'State' includes District of Columbia;

"(f) 'Transit facilities' means all real and personal property located in the Zone, necessary or useful in rendering transit service between points within the Zone, by means of rail, bus, water or air and any other mode of travel, including without limitation, tracks, rights of way, bridges, tunnels, subways, rolling stock for rail, motor vehicle, marine and air transportation, stations, terminals and ports, areas for parking and all equipment, fixtures, buildings and structures and services incidental to or required in connection with the performance of transit service;

"(g) 'Transit services' means the transportation of persons and their packages and baggage by means of transit facilities between points within the Zone and includes the transportation of newspapers, express and mail between such points but does not include taxicab, sightseeing or charter service; and

"(h) 'WMATC' means Washington Metropolitan Area Transit Commission.

"Article II

"Purpose and Functions

"Purpose

"2. The purpose of this Title is to create a regional instrumentality, as a common agency of each signatory party, empowered, in the manner hereinafter set forth, (1) to plan, develop, finance and cause to be operated improved transit facilities, in coordination with transportation and general development planning for the Zone, as part of a balanced regional system of transportation, utilizing to their best advantage the various modes of transportation, (2) to coordinate the operation of the public and privately owned or controlled transit facilities, to the fullest extent practicable, into a unified regional transit system without unnecessary duplicating service, and (3) to serve such other regional purposes and to perform such other regional functions as the signatories may authorize by appropriate legislation.

"Article III

"Organization and Area

"Washington Metropolitan Area Transit Zone

"3. There is hereby created the Washington Metropolitan Area Transit Zone which shall embrace the District of Columbia, the cities of Alexandria, Falls Church and Fairfax and the counties of Arlington and Fairfax and political subdivisions of the Commonwealth of Virginia located within those counties, and the counties of Montgomery and Prince George's in the State of Maryland and political subdivisions of the State of Maryland located in said counties.

"Washington Metropolitan Area Transit Authority

"4. There is hereby created, as an instrumentality and agency of each of the signatory parties hereto, the Washington Metropolitan Area Transit Authority which shall be a body corporate and politic, and which shall have the powers and duties granted herein and such additional powers as may hereafter be conferred upon it pursuant to law.

"Board membership

"5. (a) The Authority shall be governed by a Board of six Directors consisting of two Directors for each signatory. For Virginia, the Directors shall be appointed by the Northern Virginia Transportation Commission; for the District of Columbia, by the Commissioners of the District of Columbia; and for Maryland, by the Washington Suburban Transit Commission. In each instance the Director shall be appointed from among the members of the appointing body and shall serve for a term coincident with his term on the body by which he was appointed. A Director may be removed or suspended from office only as provided by the law of the signatory from which he was appointed. The appointing authorities shall also appoint an alternate for each Director, who may act only in the absence of the Director for whom he has been appointed an alternate, and each alternate shall serve at the pleasure of the appointing authority. In the event of a vacancy in the Office of Director or alternate, it shall be filled in the same manner as an original appointment.

"(b) Before entering upon the duties of his office each Director and alternate director shall take and subscribe to the following oath (or affirmation) of office or any such other oath or affirmation, if any, as the Constitution or laws of the signatory he represents shall provide:

"'I, _____, hereby solemnly swear (or affirm) that I will support and defend the

Constitution of the United States and the Constitution and Laws of the state or political jurisdiction from which I was appointed as a director (alternate director) of the Board of Washington Metropolitan Area Transit Authority and will faithfully discharge the duties of the office upon which I am about to enter.'

"Compensation of directors and alternates

"6. Members of the Board and alternates shall serve without compensation but may be reimbursed for necessary expenses incurred as an incident to the performance of their duties.

"Organization and procedure

"7. The Board shall provide for its own organization and procedure. It shall organize annually by the election of a Chairman and Vice Chairman from among its members. Meetings of the Board shall be held as frequently as the Board deems that the proper performance of its duties requires and the Board shall keep minutes of its meetings. The Board shall adopt rules and regulations governing its meeting, minutes and transactions.

"Quorum and actions by the Board

"8. (a) Four Directors or alternates consisting of at least one Director or alternate appointed from each Signatory shall constitute a quorum and no action by the Board shall be effective unless a majority of the Board, which majority shall include at least one Director or alternate from each Signatory, concur therein: *Provided, however,* That a plan of financing may be adopted or a mass transit plan adopted, altered, revised or amended by the unanimous vote of the Directors representing any two Signatories.

"(b) The actions of the Board shall be expressed by motion or resolution. Actions dealing solely with internal management of the Authority shall become effective when directed by the Board, but no other action shall become effective prior to the expiration of thirty days following its adoption: *Provided, however,* That the Board may provide for the acceleration of any action upon a finding that such acceleration is required for the proper and timely performance of its functions.

"Officers

"9. (a) The officers of the Authority, none of whom shall be members of the Board, shall consist of a general manager, a secretary, a treasurer, a comptroller and a general counsel and such other officers as the Board may provide. Except for the office of general manager and comptroller, the Board may consolidate any of such other offices in one person. All such officers shall be appointed and may be removed by the Board, shall serve at the pleasure of the Board and shall perform such duties and functions as the Board shall specify. The Board shall fix and determine the compensation to be paid to all officers and, except for the general manager who shall be a full-time employee, all other officers may be hired on a full-time or part-time basis and may be compensated on a salary or fee basis, as the Board may determine. All employees and such officers as the Board may designate shall be appointed and removed by the general manager under such rules of procedure and standards as the Board may determine.

"(b) The general manager shall be the chief administrative officer of the Authority and, subject to policy direction by the Board, shall be responsible for all activities of the Authority.

"(c) The treasurer shall be the custodian of the funds of the Authority, shall keep an account of all receipts and disbursements and shall make payments only upon warrants duly and regularly signed by the Chairman or Vice Chairman of the Board. or other person authorized by the Board to do so, and by the secretary or general manager: *Provided, however,* That the Board may provide that warrants not exceeding such amounts or for such purposes as may from time to time be specified by the Board may be signed by the general manager or by persons designated by him.

"(d) An oath of office in the form set out in section 5(b) of this article shall be taken, subscribed and filed with the Board by all appointed officers.

"(e) Each Director, officer, and employee specified by the Board shall give such bond in such form and amount as the Board may require, the premium for which shall be paid by the Authority.

"Conflict of interests

"10. (a) No Director, officer, or employee shall—

"(1) be financially interested, either directly or indirectly, in any contract, sale, purchase, lease or transfer of real or personal property to which the Board or the Authority is a party;

"(2) in connection with services performed within the scope of his official duties, solicit or accept money or any other thing of value in addition to the compensation or expenses paid to him by the Authority;

"(3) offer money or any thing of value for or in consideration of obtaining an appointment, promotion or privilege in his employment with the Authority.

"(b) Any Director, officer or employee who shall willfully violate any provision of this section shall, in the discretion of the Board, forfeit his office or employment.

"(c) Any contract or agreement made in contravention of this section may be declared void by the Board.

"(d) Nothing in this section shall be construed to abrogate or limit the applicability of any federal or state law which may be violated by any action prescribed by this section.

"Article IV

"Pledge of Cooperation

"11. Each Signatory pledges to each other faithful cooperation in the achievement of the purposes and objects of this Title.

"Article V

"General Powers

"Enumeration

"12. In addition to the powers and duties elsewhere described in this Title, and except as limited in this Title, the Authority may:

"(a) Sue and be sued;

"(b) Adopt and use a corporate seal and alter the same at pleasure;

"(c) Adopt, amend, and repeal rules and regulations respecting the exercise of the powers conferred by this title;

"(d) Construct, acquire, own, operate, maintain, control, sell and convey real and personal property and any interest therein by contract, purchase, condemnation, lease, license, mortgage or otherwise but all of said property shall be located in the zone and shall be necessary or useful in rendering transit service or in activities incidental thereto;

"(e) Receive and accept such payments, appropriations, grants, gifts, loans, advances and other funds, properties and services as may be transferred or made available to it by any signatory party, any political subdivision or agency thereof, by the United States, or by any agency thereof, or by any other public or private corporation or individual, and enter into agreements to make reimbursement for all or any part thereof;

"(f) Enter into and perform contracts, leases and agreements with any person, firm or corporation or with any political subdivision or agency of any signatory party or with the federal government, or any agency thereof, including, but not limited to, contracts or agreements to furnish transit facilities and service;

"(g) Create and abolish offices, employments and positions (other than those specifically provided for herein) as it deems necessary for the purposes of the Authority, and fix and provide for the qualification, appointment, removal, term, tenure, compensation, pension and retirement rights of its officers and employees without regard to the laws of any of the signatories;

"(h) Establish, in its discretion, a personnel system based on merit and fitness and, subject to eligibility, participate in the pension and retirement plans of any signatory, or political subdivision or agency thereof, upon terms and conditions mutually acceptable;

"(i) Contract for or employ any professional services;

"(j) Control and regulate the use of facilities owned or controlled by the Authority, the service to be rendered and the fares and charges to be made therefor;

"(k) Hold public hearings and conduct investigations relating to any matter affecting transportation in the Zone with which the Authority is concerned and, in connection therewith, subpena witnesses, papers, records and documents; or delegate such authority to any officer. Each director may administer oaths or affirmations in any proceeding or investigation;

"(l) Make or participate in studies of all phases and forms of transportation, including transportation vehicle research and development techniques and methods for determining traffic projections, demand motivations, and fiscal research and publicize and make available the results of such studies and other information relating to transportation; and

"(m) Exercise, subject to the limitations and restrictions herein imposed, all powers reasonably necessary or essential to the declared objects and purposes of this Title.

"Article VI

"Planning

"Mass transit plan

"13. (a) The Board shall develop and adopt, and may from time to time review and revise, a mass transit plan for the immediate and long-range needs of the Zone. The mass transit plan shall include one or more plans designating (1) the transit facilities to be provided by the Authority, including the locations of terminals, stations, platforms, parking facilities and the character and nature thereof; (2) the design and location of such facilities; (3) whether such facilities are to be constructed or acquired by lease, purchase or condemnation; (4) a timetable for the provision of such facilities; (5) the anticipated capital costs; (6) estimated operating expenses and revenues relating thereto; and (7) the various other factors and considerations, which, in the opinion of the Board, justify and require the projects therein proposed. Such plan shall specify the type of equipment to be utilized, the areas to be served, the routes and schedules of service expected to be provided and the probable fares and charges therefor.

"(b) In preparing the mass transit plan, and in any review of revision thereof, the Board shall make full utilization of all data, studies, reports and information available from the National Capital Transportation Agency and from any other agencies of the federal government, and from signatories and the political subdivisions thereof.

"Planning process

"14. (a) The mass transit plan, and any revisions, alterations or amendments thereof, shall be coordinated, through the procedures hereinafter set forth, with

"(1) other plans and programs affecting transportation in the Zone in order to achieve a balanced system of transportation, utilizing each mode to its best advantage;

"(2) the general plan or plans for the development of the Zone; and

"(3) the development plans of the various political subdivisions embraced within the Zone.

"(b) It shall be the duty and responsibility of each member of the Board to serve as liaison between the Board and the body which appointed him to the Board. To provide a framework for regional participation in the planning process, the Board shall create technical committees concerned with planning and collection and analyses of data relative to decision-making in the transportation planning process and the Commissioners of the District of Columbia, the component governments of the Northern Virginia Transportation District and the Washington Suburban Transit District shall appoint representatives to such technical committees and otherwise cooperate with the Board in the formulation of a mass transit plan, or in revisions, alterations or amendments thereof.

"(c) The Board, in the preparation, revision, alteration or amendment of a mass transit plan, shall

"(1) consider data with respect to current and prospective conditions in the Zone, including, without limitations, land use, population, economic factors affecting development plans, goals or objectives for the development of the Zone and the separate political subdivisions, transit demands to be generated by such development, travel patterns, existing and proposed transportation and transit facilities, impact of transit plans on the dislocation of families and businesses, preservation of the beauty and dignity of the Nation's Capital, factors affecting environmental amenities and aesthetics and financial resources;

"(2) cooperate with and participate in any continuous, comprehensive transportation planning process cooperatively established by the highway agencies of the signatories and the local political subdivisions in the Zone to meet the planning standards now or hereafter prescribed by the Federal-Aid Highway Acts; and

"(3) to the extent not inconsistent with or duplicative of the planning process specified in subparagraph (2) of this paragraph (c), cooperate with the National Capital Planning Commission, the National Capital Regional Planning Council, the Washington Metropolitan Council of Governments, the Washington Metropolitan Area Transit Commission, the highway agencies of the signatories, the Maryland-National Capital Park and Planning Commission, the Northern Virginia Regional Planning and Economic Development Commission, the Maryland State Planning Department and the Commission of Fine Arts. Such cooperation shall include the creation, as necessary, of technical committees composed of personnel, appointed by such agencies, concerned with planning and collection and analysis of data relative to decisionmaking in the transportation planning process.

"Adoption of mass transit plan

"15. (a) Before a mass transit plan is adopted, altered, revised or amended, the Board shall transmit such proposed plan, alteration, revision or amendment for comment to the following and to such other agencies as the Board shall determine:

"(1) the Commissioners of the District of Columbia, the Northern Virginia Transportation Commission and the Washington Suburban Transit Commission;

"(2) the governing bodies of the counties and cities embraced within the zone;

"(3) the highway agencies of the signatories;

"(4) the Washington Metropolitan Area Transit Commission;

"(5) the Washington Metropolitan Council of Governments;

"(6) the National Capital Planning Commission;

"(7) The National Capital Regional Planning Council;

"(8) the Maryland-National Capital Park and Planning Commission;

"(9) the Northern Virginia Regional Planning and Economic Development Commission;

"(10) the Maryland State Planning Department; and

"(11) the private transit companies operating in the zone and the labor unions representing the employees of such companies and employees of contractors providing service under operating contracts.

"Information with respect thereto shall be released to the public. A copy of the proposed mass transit plan, amendment, or revision, shall be kept at the office of the Board and shall be available for public inspection. After thirty days' notice published once a week for two successive weeks in one or more newspapers of general circulation within the zone, a public hearing shall be held with respect to the proposed plan, alteration, revision, or amendment. The thirty days' notice shall begin to run on the first day the notice appears in any such newspaper. The Board shall consider the evidence submitted and statements and comments made at such hearing and may make any changes in the proposed plan, amendment, or revision which it deems appropriate and such changes may be made without further hearing.

"Article VII

"Financing

"Policy

"16. With due regard for the policy of Congress for financing a mass transit plan for the zone set forth in section 204(g) of the National Capital Transportation Act of 1960 (74 Stat. 537), it is hereby declared to be the policy of this title that, as far as possible, the payment of all costs shall be borne by the persons using or benefiting from the Authority's facilities and services and any remaining costs shall be equitably shared among the Federal, District of Columbia, and participating local governments in the zone. The allocation among such governments of such remaining costs shall be determined by agreement among them and shall be provided in the manner hereinafter specified.

"Plan of financing

"17. (a) The Authority, in conformance with said policy, shall prepare and adopt a plan for financing the construction, acquisition, and operation of facilities specified in a mass transit plan adopted pursuant to Article VI hereof, or in any alteration, revision or amendment thereof. Such plan of financing shall specify the facilities to be constructed or acquired, the cost thereof, the principal amount of revenue bonds, equipment trust certificates, and other evidences of debt proposed to be issued, the principal terms and provisions of all loans and underlying agreements and indentures, estimated operating expenses and revenues, and the proposed allocation among the Federal, District of Columbia, and participating local governments of the remaining costs and deficits, if any, and such other information as the Commission may consider appropriate.

"(b) Such plan of financing shall constitute a proposal to the interested governments for financial participation and shall not impose any obligation on any government and such obligations shall be created only as provided in Section 18 of this Article VII.

"Commitments for financial participation

"18. (a) Commitments on behalf of the portion of the Zone located in Virginia shall be by contract or agreement by the Authority with the Northern Virginia Transportation District, or its component governments, as authorized in the Transportation District Act of 1964 (Ch. 631, 1964 Acts of Virginia Assembly), to contribute to the capital required for the construction and/or acquisition of facilities specified in a mass transit plan adopted as provided in Article VI, or any alteration, revision or amendment thereof, and for meeting expenses and obligations in the operation of such facilities. No such contract or agreement, however, shall be entered into by the Authority with the Northern Virginia Transportation District unless said District has entered into the contracts or agreements with its member governments, as contemplated by Section 1(b)(4) of Article 4 of said Act, which contracts or agreements expressly provide that such contracts or agreements shall inure to the benefit of the Authority and shall be enforceable by the Authority in accordance with the provisions of Section 2, Article 5 of said Act, and such contracts or agreements are acceptable to the Board. The General Assembly of Virginia hereby authorizes and designates the Authority as the agency to plan for and provide transit facilities and services for the area of Virginia encompassed within the Zone within the contemplation of Article 1, Section 3(c) of said Act.

"(b) Commitments on behalf of the portion of the Zone located in Maryland shall be by contract or agreement by the Authority with the Washington Suburban Transit District, pursuant to which the Authority undertakes to provide transit facilities and service in consideration for the agreement by said District to contribute to the capital required for the construction and/or acquisition of facilities specified in a mass transit plan adopted as provided in Article VI, or in any alteration, revision or amendment thereof, and for meeting expenses and obligations incurred in the operation of such facilities.

"(c) With respect to the District of Columbia and the federal government, the commitment or obligation to render financial assistance shall be created by appropriation or in such other manner, or by such other legislation, as the Congress shall determine. If prior to making such commitment by or on behalf of the District of Columbia, legislation is enacted by the Congress granting the governing body of the District of Columbia plenary power to create obligations and levy taxes, the commitment by the District of Columbia shall be by contract or agreement between the governing body of the District of Columbia and the Authority, pursuant to which the Authority undertakes, subject to the provisions of Section 20 hereof, to provide transit facilities and service in consideration for the undertaking by the District of Columbia to contribute to the capital required for the construction and/or acquisition of facilities specified in a mass transit plan adopted as provided in Article VI, or in any alteration, revision or amendment thereof, and for meeting expenses and obligations incurred in the operation of such facilities.

"Administrative expenses

"19. Prior to the time the Authority has receipts from appropriations and contracts or agreements as provided in Section 18 of this Article VII, the expenses of the Authority for administration and for preparation of a mass transit and financing plan, including all engineering, financial, legal and other services required in connection therewith, shall, to the extent funds for such expenses are not provided through grants by the federal government, be borne by the District of Columbia, by the Washington Suburban Transit District and the component governments of the Northern Virginia Transportation District. Such expenses shall be allocated among such governments on the basis of population as reflected by the latest available population statistics of the Bureau of the Census; provided, however, that upon the request of any Director the Board shall

make the allocation upon estimates of population acceptable to the Board. The allocations shall be made by the Board and shall be included in the annual current expense budget prepared by the Board.

"Acquisition of facilities from Federal or other agencies

"20. (a) The Authority is authorized to acquire by purchase, lease or grant or in any manner other than condemnation, from the Federal Government, or any agency thereof, from the District of Columbia, Maryland or Virginia, or any political subdivision or agency thereof, any transit and related facilities, including real and personal property and all other assets, located within the zone, whether in operation or under construction. Such acquisition shall be made upon such terms and conditions as may be agreed upon and subject to such authorization or approval by the Congress and the governing body of the District of Columbia, as may be required; provided, however, that if such acquisition imposes or may impose any further or additional obligation or liability upon the Washington Suburban Transit District, the Northern Virginia Transportation District, or any component government thereof, under any contract with the Authority, the Authority shall not make such acquisition until any such affected contract has been appropriately amended.

"(b) For such purpose, the Authority is authorized to assume all liabilities and contracts relating thereto, to assume responsibility as primary obligor, endorser or guarantor on any outstanding revenue bonds, equipment trust certificates or other form of indebtedness authorized in this Act issued by such predecessor agency or agencies and, in connection therewith, to become a party to, and assume the obligations of, any indenture or loan agreement underlying or issued in connection with any outstanding securities or debts.

"Temporary borrowing

"21. The Board may borrow, in anticipation of receipts, from any signatory, the Washington Suburban Transit District, the Northern Virginia Transportation District, or any component government thereof, or from any lending institution for any purposes of this title, including administrative expenses. Such loans shall be for a term not to exceed two years and at a rate of interest not to exceed 6 percent per annum. The signatories and any such political subdivision or agency may, in its discretion, make such loans from any available money.

"Funding

"22. The Board shall not construct or acquire any of the transit facilities specified in a mass transit plan adopted pursuant to the provisions of article VI of this Title, or in any alteration, revision or amendment thereof, nor make any commitments or incur any obligations with respect thereto until funds are available therefor.

"Article VIII

"Budget

"Capital budget

"23. The Board shall annually adopt a capital budget, including all capital projects it proposes to undertake or continue during the budget period, containing a statement of the estimated cost of each project and the method of financing thereof.

"Current expense budget

"24. The Board shall annually adopt a current expense budget for each fiscal year. Such budget shall include the Board's estimated expenditures for administration, operation, maintenance and repairs, debt service requirements and payments to be made into any funds required to be maintained. The total of such expenses shall be balanced by the Board's estimated revenues and receipts from all sources, excluding funds included in the capital budget or otherwise earmarked for other purposes.

"Adoption and distribution of budgets

"25. (a) Following the adoption by the Board of annual capital and current expense budgets, the general manager shall transmit certified copies of such budgets to the principal budget officer of the federal government, the District of Columbia, and Washington Suburban Transit District and of the component governments of the Northern Virginia Transportation Commission at such time and in such manner as may be required under their respective budgetary procedures.

"(b) Each budget shall indicate the amounts, if any, required from the federal government, the Government of the District of Columbia, the Washington Suburban Transit District and the component governments of the Northern Virginia Transportation District, determined in accordance with the commitments made pursuant to Article VII, Section 18 of this Title, to balance each of said budgets.

"Payments

"26. Subject to such review and approval as may be required by their budgetary or other applicable processes, the federal government, the Government of the District of Columbia, the Washington Suburban Transit District and the component governments of the Northern Virginia Transportation District shall include in their respective budgets next to be adopted and appropriate or otherwise provide the amounts certified to each of them as set forth in the budgets.

"Article IX

"Revenue Bonds

"Borrowing power

"27. The Authority may borrow money for any of the purposes of this Title, may issue its negotiable bonds and other evidences of indebtedness in respect thereto and may mortgage or pledge its properties, revenues and contracts as security therefor.

"All such bonds and evidences of indebtedness shall be payable solely out of the properties and revenues of the Authority. The bonds and other obligations of the Authority, except as may be otherwise provided in the indenture under which they were issued, shall be direct and general obligations of the Authority and the full faith and credit of the Authority are hereby pledged for the prompt payment of the debt service thereon and for the fulfillment of all other undertakings of the Authority assumed by it to or for the benefit of the holders thereof.

"Funds and expenses

"28. The purposes of this Title shall include, without limitation, all costs of any project or facility or any part thereof, including interest during a period of construction and for a period not to exceed two years thereafter and any incidental expenses (legal, engineering, fiscal, financial, consultant and other expenses) connected with issuing and disposing of the bonds; all amounts required for the creation of an operating fund, construction fund, reserve fund, sinking fund, or other special fund; all other expenses connected with administration, the planning, design, acquisition, construction, completion, improvement or reconstruction of any facility or any part thereof; and reimbursement of advances by the Board or by others for such purposes and for working capital.

"Credit excluded; officers, State, political subdivisions and agencies

"29. The Board shall have no power to pledge the credit of any signatory party, political subdivision or agency thereof, or to impose any obligation for payment of the bonds upon any signatory party, political subdivision or agency thereof, but may pledge the contracts of such governments and agencies: *Provided, however,* That the bonds may be underwritten in whole or in part as to principal and interest by the United States, or by any political subdivision or agency of any signatory: *Provided, further,* That any bonds underwritten in whole or in part as to principal and interest by the United States shall not be issued without approval of the Secretary of the Treasury. Neither the Directors nor any person executing the bonds shall be liable personally on the bonds of the Authority or be subject to any personal liability or accountability by reason of the issuance thereof.

"Funding and refunding

"30. Whenever the Board deems it expedient, it may fund and refund the bonds and other obligations of the Authority whether or not such bonds and obligations have matured. It may provide for the issuance, sale or exchange of refunding bonds for the purpose of redeeming or retiring any bonds (including the payment of any premium, duplicate interest or cash adjustment required in connection therewith) issued by the Authority or issued by any other issuing body, the proceeds of the sale of which have been applied to any facility acquired by the Authority or which are payable out of the revenues of any facility acquired by the Authority. Bonds may be issued partly to refund bonds and other obligations then outstanding, and partly for any other purpose of the Authority. All provisions of this title applicable to the issuance of bonds are applicable to refunding bonds and to the issuance, sale or exchange thereof.

"Bonds; authorization generally

"31. Bonds and other indebtedness of the Authority shall be authorized by resolution of the Board. The validity of the authorization and issuance of any bonds by the Authority shall not be dependent upon nor affected in any way by: (i) the disposition of bond proceeds by the Board or by contract, commitment, or action taken with respect to such proceeds; or (ii) the failure to complete any part of the project for which bonds are authorized to be issued. The Authority may issue bonds in one or more series and may provide for one or more consolidated bond issues, in such principal amounts and with such terms and provisions as the Board may deem necessary. The bonds may be secured by a pledge of all or any part of the property, revenues and franchises under its control. Bonds may be issued by the Authority in such amount, with such maturities and in such denominations and form or forms, whether coupon or registered, as to principal alone or as to both principal and interest, as may be determined by the Board. The Board may provide for redemption of bonds prior to maturity on such notice and at such time or times and with such redemption provisions, including premiums, as the Board may determine.

"Bonds; resolutions and indentures generally

"32. The Board may determine and enter into indentures or adopt resolutions providing for the principal amount, date or dates, maturities, interest rate, or rates, denominations, form, registration, transfer, interchange and other provisions of the bonds and coupons and the terms and conditions upon which the same shall be executed, issued, secured, sold, paid, redeemed, funded and refunded. The resolution of the Board authorizing any bond or any indenture so authorized under which the bonds are issued may include all such covenants and other provisions not inconsistent with the provisions of this Title, other than any restriction on the regulatory powers vested in the Board by this Title, as the Board may deem necessary or desirable for the issue, payment, security, protection or marketing of the bonds, including without limitation covenants and other provisions as to the

rates or amounts of fees, rents and other charges to be charged or made for use of the facilities; the use, pledge, custody, securing, application and disposition of such revenues, of the proceeds of the bonds, and of any other moneys or contracts of the Authority; the operation, maintenance, repair and reconstruction of the facilities and the amounts which may be expended therefor; the sale, lease or other disposition of the facilities; the insuring of the facilities and of the revenues derived therefrom; the construction or other acquisition of other facilities; the issuance of additional bonds or other indebtedness; the rights of the bondholders and of any trustee for the bondholders upon default by the Authority or otherwise; and the modification of the provisions of the indenture and of the bonds. Reference on the face of the bonds to such resolution or indenture by its date of adoption or the apparent date on the face thereof is sufficient to incorporate all of the provisions thereof and of this Title into the body of the bonds and their appurtenant coupons. Each taker and subsequent holder of the bonds or coupons, whether the coupons are attached to or detached from the bonds, has recourse to all of the provisions of the indenture and of this Title and is bound thereby.

"Maximum maturity

"33. No bond or its terms shall mature in more than fifty years from its own date and in the event any authorized issue is divided into two or more series or divisions, the maximum maturity date herein authorized shall be calculated from the date on the face of each bond separately, irrespective of the fact that different dates may be prescribed for the bonds of each separate series or division of any authorized issue.

"Tax exemption

"34. All bonds and all other evidences of debt issued by the Authority under the provisions of this Title and the interest thereon shall at all times be free and exempt from all taxation by or under authority of any signatory parties, except for transfer, inheritance and estate taxes.

"Interest

"35. Bonds shall bear interest at a rate of not to exceed six percent per annum, payable annually or semiannually.

"Place of payment

"36. The Board may provide for the payment of the principal and interest of bonds at any place or places within or without the signatory states, and in any specified lawful coin or currency of the United States of America.

"Execution

"37. The Board may provide for the execution and authentication of bonds by the manual, lithographed or printed facsimile signature of members of the Board, and by additional authentication by a trustee or fiscal agent appointed by the Board: *Provided, however,* That one of such signatures shall be manual. If any of the members whose signatures or countersignatures appear upon the bonds or coupons cease to be members before the delivery of the bonds or coupons, their signatures or countersignatures are nevertheless valid and of the same force and effect as if the members had remained in office until the delivery of the bonds and coupons.

"Holding own bonds

"38. The Board shall have power out of any funds available therefor to purchase its bonds and may hold, cancel or resell such bonds.

"Sale

"39. The Board may fix terms and conditions for the sale or other disposition of any authorized issue of bonds. The Board may sell bonds at less than their par or face value but no issue of bonds may be sold at an aggregate price below the par or face value thereof if such sale would result in a net interest cost to the Authority calculated upon the entire issue so sold of more than six percent per annum payable semiannually, according to standard tables of bond values. All bonds issued and sold pursuant to this title may be sold in such manner, either at public or private sale, as the Board shall determine.

"Negotiability

"40. All bonds issued under the provisions of this title are negotiable instruments.

"Bond eligible for investment and deposit

"41. Bonds issued under the provisions of this title are hereby made securities in which all public officers and public agencies of the signatories and their political subdivisions and all banks, trust companies, savings and loan associations, investment companies and others carrying on a banking business, all insurance companies and insurance associations and others carrying on an insurance business, all administrators, executors, guardians, trustees and other fiduciaries, and all other persons may legally and properly invest funds, including capital in their control or belonging to them. Such bonds are hereby made securities which may properly and legally be deposited with and received by any officer of any signatory, or of any agency or political subdivision of any signatory, for any purpose for which the deposit of bonds or other obligations of such signatory is now or may hereafter be authorized by law.

"Validation proceedings

"42. Prior to the issuance of any bonds, the Board may institute a special proceeding to determine the legality of proceedings to issue the bonds and their validity under the laws of any of the signatory parties. Such proceeding shall be instituted and prosecuted in rem and the final judgment rendered therein shall be conclusive against all persons whomsoever and against each of the signatory parties.

"Recording

"43. No indenture need be recorded or filed in any public office, other than the office of the Board. The pledge of revenues provided in any indenture shall take effect forthwith as provided therein and irrespective of the date of receipt of such revenues by the Board of the indenture trustee. Such pledge shall be effective as provided in the indenture without physical delivery of the revenues to the Board or to the indenture trustee.

"Pledged revenues

"44. Bond redemption and interest payments shall, to the extent provided in the resolution or indenture, constitute a first, direct and exclusive charge and lien on all revenues received from the use and operation of the facility, and on any sinking or other funds created therefrom. All such revenues, together with interest thereon, shall constitute a trust fund for the security and payment of such bonds and except as and to the extent provided in the indenture with respect to the payment therefrom of expenses for other purposes including administration, operation, maintenance, improvements or extensions of the facilities or other purposes shall not be used or pledged for any other purpose so long as such bonds, or any of them, are outstanding and unpaid.

"Remedies

"45. The holder of any bond may for the equal benefit and protection of all holders of bonds similarly situated: (1) by mandamus or other appropriate proceedings require and compel the performance of any of the duties imposed upon the Board or assumed by it, its officers, agents or employees under the provisions of any indenture, in connection with the acquisition, construction, operation, maintenance, repair, reconstruction or insurance of the facilities, or in connection with the collection, deposit, investment, application and disbursement of the revenues derived from the operation and use of the facilities, or in connection with the deposit, investment and disbursement of the proceeds received from the sale of bonds; or (2) by action or suit in a court of competent jurisdiction of any signatory party require the Authority to account as if it were the trustee of an express trust, or enjoin any acts or things which may be unlawful or in violation of the rights of the holders of the bonds. The enumeration of such rights and remedies does not, however, exclude the exercise or prosecution of any other rights or remedies available to the holders of bonds.

"Article X

"Equipment Trust Certificates

"Power

"46. The Board shall have power to execute agreements, leases and equipment trust certificates with respect to the purchase of facilities or equipment such as cars, trolley buses and motor buses, or other craft, in the form customarily used in such cases and appropriate to effect such purchase, and may dispose of such equipment trust certificates in such manner as it may determine to be for the best interests of the Authority. Each vehicle covered by an equipment trust certificate shall have the name of the owner or lessor plainly marked upon both sides thereof, followed by the words 'Owner and Lessor'.

"Payments

"47. All monies required to be paid by the Authority under the provisions of such agreements, leases and equipment trust certificates shall be payable solely from the revenue to be derived from the operation of the transit system or from such grants, loans, appropriations or other revenues, as may be available to the Board under the provisions of this Title. Payment for such facilities or equipment, or rentals thereof, may be made in installments, and the deferred installments may be evidenced by equipment trust certificates as aforesaid, and title to such facilities or equipment may not vest in the Authority until the equipment trust certificates are paid.

"Procedure

"48. The agreement to purchase facilities or equipment by the Board may direct the vendor to sell and assign the equipment to a bank or trust company, duly authorized to transact business in any of the signatory States, or to the Housing and Home Finance Administrator, as trustee, lessor or vendor, for the benefit and security of the equipment trust certificates and may direct the trustee to deliver the facilities and equipment to one or more designated officers of the Board and may authorize the trustee simultaneously therewith to execute and deliver a lease of the facilities or equipment to the Board.

"Agreements and leases

"49. The agreements and leases shall be duly acknowledged before some person authorized by law to take acknowledgements of deeds and in the form required for acknowledgement of deeds and such agreements, leases, and equipment trust certificates shall be authorized by resolution of the Board and shall contain such covenants, conditions and provisions as may be deemed necessary or appropriate to insure the payment of the equipment trust certificates from the revenues to be derived from the operation of the transit system and other funds.

"The covenants, conditions and provisions of the agreements, leases and equipment trust certificates shall not conflict with any of the provisions of any resolution or trust agreement securing the payment of bonds or other obligations of the Authority then outstanding or conflict with or be in derogation

of the rights of the holders of any such bonds or other obligations.

"Law governing

"50. The equipment trust certificates issued hereunder shall be governed by Laws of the District of Columbia and for this purpose the chief place of business of the Authority shall be considered to be the District of Columbia. The filing of any documents required or permitted to be filed shall be governed by the Laws of the District of Columbia.

"Article XI

"Operation of Facilities

"Operation by contract or lease

"51. The Authority shall not perform transit service, nor any of the functions, such as maintenance of equipment and right of way normally associated with the providing of such service, with any transit facilities owned or controlled by it but shall provide for the performance of transit service with such facilities by contract or contracts with private transit companies, private railroads, or other persons. Any facilities and properties owned or controlled by the Authority, other than those utilized in performing transit service, may be operated by the Authority or by others pursuant to contract or lease as the Board may determine. All operations of such facilities and properties by the Authority and by its Contractor and lessees shall be within the Zone.

"The operating contract

"52. Without limitation upon the right of the Board to prescribe such additional terms and provisions as it may deem necessary and appropriate, the operating contract shall;

"(a) specify the services and functions to be performed by the Contractor;

"(b) provide that the Contractor shall hire, supervise and control all personnel required to perform the services and functions assumed by it under the operating contract and that all such personnel shall be employees of the Contractor and not of the Authority;

"(c) require the Contractor to assume the obligations of the labor contract or contracts of any transit company which may be acquired by the Authority and assume the pension obligations of any such transit company;

"(d) require the Contractor to comply in all respects with the labor policy set forth in Article XIV of this Title;

"(e) provide that no transfer of ownership of the capital stock, securities or interests in any Contractor, whose principal business is the operating contract, shall be made without written approval of the Board and the certificates or other instruments representing such stock, securities or interests shall contain a statement of this restriction;

"(f) provide that the Board shall have the sole authority to determine the rates or fares to be charged, the routes to be operated and the service to be furnished;

"(g) specify the obligations and liabilities which are to be assumed by the Contractor and those which are to be the responsibility of the Authority;

"(h) provide for an annual audit of the books and accounts of the Contractor by an independent certified public accountant to be selected by the Board and for such other audits, examinations and investigations of the books and records, procedures and affairs of the Contractor at such times and in such manner as the Board shall require, the cost of such audits, examinations and investigations to be borne as agreed by the parties in the operating contract; and

"(i) provide that no operating contract shall be entered into for a term in excess of five years; provided, that any such contract may be renewed for successive terms, each of which shall not exceed five years. Any such operating contract shall be subject to termination by the Board for cause only.

"Compensation for Contractor

"53. Compensation to the Contractor under the operating contract may, in the discretion of the Board, be in the form of (1) a fee paid by the Board to the Contractor for services, (2) a payment by the Contractor to the Board for the right to operate the system, or (3) such other arrangement as the Board may prescribe; provided, however, that the compensation shall bear a reasonable relationship to the benefits to the Authority and to the estimated costs the Authority would incur in directly performing the functions and duties delegated under the operating contract; and provided, further, that no such contract shall create any right in the Contractor (1) to make or change any rate or fare or alter or change the service specified in the contract to be provided or (2) to seek judicial relief by any form of original action, review or other proceedings from any rate or fare or service prescribed by the Board. Any assertion, or attempted assertion, by the Contractor of the right to make or change any rate or fare or service prescribed by the Board shall constitute cause for termination of the operating contract. The operating contract may provide incentives for efficient and economical management.

"Selection of contractor

"54. The Board shall enter into an operating contract only after formal advertisement and negotiations with all interested and qualified parties, including private transit companies rendering transit service within the Zone; provided, however, that, if the Authority acquires transit facilities from any agency of the federal or District of Columbia governments, in accordance with the provisions of Article VII, Section 20 of this Title, the Authority shall assume the obligations of any operating contract which the transferor agency may have entered into.

"Article XII

"Coordination of Private and Public Facilities

"Declaration of policy

"55. It is hereby declared that the interest of the public in efficient and economical transit service and in the financial well-being of the Authority and of the private transit companies requires that the public and private segments of the regional transit system be operated, to the fullest extent possible, as a coordinated system without unnecessary duplicating service.

"Implementation of policy

"56. In order to carry out the legislative policy set forth in Section 55 of this Article XII

"(a) The Authority—

"(1) except as herein provided, shall not, directly or through a Contractor, perform transit service by bus or similar motor vehicles;

"(2) shall, in cooperation with the private carriers and WMATC, coordinate to the fullest extent practicable, the schedules for service performed by its facilities with the schedules for service performed by private carriers; and

"(3) shall enter into agreements with the private carriers to establish and maintain, subject to approval by WMATC, through routes and joint fares and provide for the division thereof, or, in the absence of such agreements, establish and maintain through routes and joint fares in accordance with orders issued by WMATC directed to the private carriers when the terms and conditions for such through service and joint fares are acceptable to it.

"(b) The WMATC, upon application, complaint, or upon its own motion, shall—

"(1) direct private carriers to coordinate their schedules for service with the schedules for service performed by facilities owned or controlled by the Authority;

"(2) direct private carriers to improve or extend any existing services or provide additional service over additional routes;

"(3) authorize a private carrier, pursuant to agreement between said carrier and the Authority, to establish and maintain through routes and joint fares for transportation to be rendered with facilities owned or controlled by the Authority if, after hearing held upon reasonable notice, WMATC finds that such through routes and joint fares are required by the public interest; and

"(4) in the absence of such an agreement with the Authority, direct a private carrier to establish and maintain through routes and joint fares with the Authority, if, after hearing held upon reasonable notice, WMATC finds that such through service and joint fares are required by the public interest; provided, however, that no such order, rule or regulation of WMATC shall be construed to require the Authority to establish and maintain any through route and joint fare.

"(c) WMATC shall not authorize or require a private carrier to render any service, including the establishment or continuation of a joint fare for a through route service with the Authority which is based on a division thereof between the Authority and private carrier which does not provide a reasonable return to the private carrier; unless the carrier is currently earning a reasonable return on its operation as a whole in performing transportation subject to the jurisdiction of WMATC. In determining the issue of reasonable return, WMATC shall take into account any income attributable to the carrier, or to any corporation, firm or association owned in whole or in part by the carrier, from the Authority whether by way of payment for services or otherwise.

"(d) If the WMATC is unable, through the exercise of its regulatory powers over the private carriers granted in paragraph (b) hereof or otherwise, to bring about the requisite coordination of operations and service between the private carriers and the Authority, the Authority may in the situations specified in paragraph (b) hereof, cause such transit service to be rendered by its Contractor by bus or other motor vehicle, as it shall deem necessary to effectuate the policy set forth in Section 55 hereof. In any such situation, the Authority, in order to encourage private carriers to render bus service to the fullest extent practicable, may, pursuant to agreement, make reasonable subsidy payments to any private carrier.

"Rights of private carriers unaffected

"57. Nothing in this title shall restrict or limit such rights and remedies, if any, that any private carrier may have against the Authority arising out of acts done or actions taken by the Authority hereunder. In the event any court of competent jurisdiction shall determine that the Authority has unlawfully infringed any rights of any private carrier or otherwise caused or permitted any private carrier to suffer legally cognizable injury, damages or harm and shall award a judgment therefor, such judgment shall constitute a lien against any and all of the assets and properties of the Authority.

"Financial assistance to private carriers

"58. (a) The Board may accept grants from and enter into loan agreements with the Housing and Home Finance Administrator, pursuant to the provisions of the Urban Mass Transportation Act of 1964 (78 Stat. 302), or with any successor agency or under any law of similar purport, for the purpose of rendering financial assistance to private carriers.

"(b) An application by the Board for any such grant or loan shall be based on and supported by a report from WMATC setting forth

for each private carrier to be assisted (1) the equipment and facilities to be acquired, constructed, reconstructed, or improved, (2) the service proposed to be rendered by such equipment and facilities, (3) the improvement in service expected from such facilities and equipment, (4) how the use of such facilities and equipment will be coordinated with the transit facilities owned by the Authority, (5) the ability of the affected private carrier to repay any such loans or grants and (6) recommend terms for any such loans or grants.

"(c) Any equipment or facilities acquired, constructed, reconstructed or improved with the proceeds of such grants or loans shall be owned by the Authority and may be made available to private carriers only by lease or other agreement which contain provisions acceptable to the Housing and Home Finance Administrator assuring that the Authority will have satisfactory continuing control over the use of such facilities and equipment.

"Article XIII

"Jurisdiction; Rates and Service

"Washington Metropolitan Area Transit Commission

"59. Except as provided herein, this Title shall not affect the functions and jurisdiction of WMATC, as granted by Titles I and II of this Compact, over the transportation therein specified and the persons engaged therein and the Authority shall have no jurisdiction with respect thereto.

"Public facilities

"60. Service performed by transit facilities owned or controlled by the Authority, and the rates and fares to be charged for such service, shall be subject to the sole and exclusive jurisdiction of the Board and, notwithstanding any other provision in this Compact contained, WMATC shall have no authority with respect thereto, or with respect to any contractor in connection with the operation by it of transit facilities owned or controlled by the Authority. The determinations of the Board with respect to such matters shall not be subject to judicial review nor to the processes of any court.

"Standards

"61. Insofar as practicable, and consistent with the provision of adequate service at reasonable fares, the rates and fares and services shall be fixed by the Board so as to result in revenues which will:

"(a) pay the operating expenses and provide for repairs, maintenance and depreciation of the transit system owned or controlled by the Authority;

"(b) provide for payment of all principal and interest on outstanding revenue bonds and other obligations and for payment of all amounts to sinking funds and other funds as may be required by the terms of any indenture or loan agreement;

"(c) provide for the purchase, lease or acquisition of rolling stock, including provisions for interest, sinking funds, reserve funds, or other funds required for payment of any obligations incurred by the Authority for the acquisition of rolling stock; and

"(d) provide funds for any purpose the Board deems necessary and desirable to carry out the purposes of this Title.

"Hearings

"62. (a) The Board shall not make or change any fare or rate, nor establish or abandon any service except after holding a public hearing with respect thereto.

"(b) Any signatory, any political subdivision thereof, any agency of the federal government and any person, firm or association served by or using the transit facilities of the Authority and any private carrier may file a request with the Board for a hearing with respect to any rates or charges made by the Board or any service rendered with the facilities owned or controlled by the Authority. Such request shall be in writing, shall state the matter on which a hearing is requested and shall set forth clearly the matters and things on which the request relies. As promptly as possible after such a request is filed, the Board, or such officer or employee as it may designate, shall confer with the protestant with respect to the matters complained of. After such conference, the Board, if it deems the matter meritorious and of general significance, may call a hearing with respect to such request.

"(c) The Board shall give at least thirty days' notice for all hearings. The notice shall be given by publication in a newspaper of daily circulation throughout the Zone and such notice shall be published once a week for two successive weeks. The notice shall start with the day of first publication. In addition, the Board shall post notices of the hearing in its offices, all stations and terminals and in all of its vehicles and rolling stock in revenue service.

"(d) Prior to calling a hearing on any matter specified in this section, the Board shall prepare and file at its main office and keep open for public inspection its report relating to the proposed action to be considered at such hearing. Upon receipt by the Board of any report submitted by WMATC, in connection with a matter set for hearing, pursuant to the provisions of Section 63 of this Article XIII, the Board shall file such report at its main office and make it available for public inspection. For hearings called by the Board pursuant to paragraph (b), above, the Board also shall cause to be lodged and kept open for public inspection the written request upon which the hearing is granted and all documents filed in support thereof.

"Reference of matters to WMATC

"63. To facilitate the attainment of the public policy objectives for operation of the publicly and privately owned or controlled transit facilities as stated in Article XII, Section 55, prior to the hearings provided for by Section 62 hereof—

"(a) The Board shall refer to WMATC for its consideration and recommendations, any matter which the Board considers may affect the operation of the publicly and privately owned or controlled transit facilities as a coordinated regional transit system and any matter for which the Board has called a hearing, pursuant to Section 62 of this Article XIII, except that temporary or emergency changes in matters affecting service shall not be referred; and

"(b) WMATC, upon such reference of any matter to it, shall give the referred matter preference over any other matters pending before it and shall, as expeditiously as practicable, prepare and transmit its report thereon to the Board. The Board may request WMATC to reconsider any part of its report or to make any supplemental reports it deems necessary. All of such reports shall be advisory only.

"(c) Any report submitted by WMATC to the Board shall consider, without limitation, the probable effect of the matter or proposal upon the operation of the publicly and privately owned or controlled transit facilities as a coordinated regional system, passenger movements, fare structures, service and the impact on the revenues of both the public and private facilities.

"Article XIV

"Labor Policy

"Construction

"64. The Board shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors or subcontractors in the construction, alteration or repair, including painting and decorating, of projects, buildings and works which are undertaken by the Authority or are financially assisted by it, shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5), and every such employee shall receive compensation at a rate not less than one and one-half times his basic rate of pay for all hours worked in any workweek in excess of eight hours in any workday or forty hours in any workweek, as the case may be. A provision stating the minimum wages thus determined and the requirement that overtime be paid as above provided shall be set out in each project advertisement for bids and in each bid proposal form and shall be made a part of the contract covering the project, which contract shall be deemed to be a contract of the character specified in Section 103 of the Contract Work Hours Standards Act (76 Stat. 357), as now or as may hereafter be in effect. The Secretary of Labor shall have, with respect to the administration and enforcement of the labor standards specified in this provision, the supervisory, investigatory and other authority and functions set forth in Reorganization Plan Number 14 of 1950 (15 F.R. 3176, 64 Stat. 1267, 5 U.S.C. 133z-15), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276(c)). The requirements of this section shall also be applicable with respect to the employment of laborers and mechanics in the construction, alteration or repair, including painting and decorating, of the transit facilities owned or controlled by the Authority where such activities are performed by a Contractor pursuant to agreement with the operator of such facilities.

"Equipment and supplies

"65. Contracts for the manufacture or furnishing of materials, supplies, articles and equipment shall be subject to the provisions of the Walsh-Healey Public Contracts Act (41 U.S.C. 35 et seq.), as now or as may hereafter be in effect.

"Operations

"66. It shall be a condition of the operation of the transit facilities owned or controlled by the Authority that the provisions of section 10(c) of the Urban Mass Transportation Act of 1964 (49 U.S.C. 1609(c)) shall be applicable to any contract or other arrangement for the operation of such facilities.

"Article XV

"Relocation Assistance

"Relocation program and payments

"67. Section 7 of the Urban Mass Transportation Act of 1964, and as the same may from time to time be amended, and all regulations promulgated thereunder, are hereby made applicable to individuals, families, business concerns and nonprofit organizations displaced from real property by actions of the Authority without regard to whether financial assistance is sought by or extended to the Authority under any provision of that Act: provided, however, that in the event real property is acquired for the Authority by an agency of the federal government, or by a State or local agency or instrumentality, the Authority is authorized to reimburse the acquiring agency for relocation payments made by it.

"Relocation of public or public utility facilities

"68. Notwithstanding the provisions of Section 67 of this article XV, any highway or other public facility or any facilities of a public utility company which will be dislocated by reason of a project deemed necessary by the Board to effectuate the authorized purposes of this Title shall be relocated if such facilities are devoted to a public use, and the reasonable cost of relocation, if substitute facilities are necessary, shall be paid by the Board from any of its monies.

"*Article XVI*

"General Provisions

"Creation and administration of funds

"69. (a) The Board may provide for the creation and administration of such funds as may be required. The funds shall be disbursed in accordance with rules established by the Board and all payments from any funds shall be reported to the Board. Monies in such funds and other monies of the Authority shall be deposited, as directed by the Board, in any state or national bank located in the Zone having a total paid-in capital of at least one million dollars ($1,000,000). The trust department of any such state or national bank may be designated as a depositary to receive any securities acquired or owned by the Authority. The restriction with respect to paid-in capital may be waived for any such bank which agrees to pledge federal securities to protect the funds and securities of the Authority in such amounts and pursuant to such arrangements as may be acceptable to the Board.

"(b) Any monies of the Authority may, in the discretion of the Board and subject to any agreement or covenant between the Authority and the holders of any of its obligations limiting or restricting classes of investments, be invested in bonds or other obligations of, or guaranteed as to interest and principal by, the United States, Maryland, Virginia or the political subdivisions or agencies thereof.

"Annual independent audit

"70. (a) As soon as practical after the closing of the fiscal year, an audit shall be made of the financial accounts of the Authority. The audit shall be made by qualified certified public accountants selected by the Board, who shall have no personal interest direct or indirect in the financial affairs of the Authority or any of its officers or employees. The report of audit shall be prepared in accordance with generally accepted auditing principles and shall be filed with the Chairman and other officers as the Board shall direct. Copies of the report shall be distributed to each Director, to the Congress, to the Board of Commissioners of the District of Columbia, to the Governors of Virginia and Maryland, to the Washington Suburban Transit Commission, to the Northern Virginia Transportation Commission and to the governing bodies of the political subdivisions located within the Zone which are parties to commitments for participation in the financing of the Authority and shall be made available for public distribution.

"(b) The financial transactions of the Board shall be subject to audit by the United States General Accounting Office in accordance with the principles and procedures, applicable to commercial corporate transactions and under such rules and regulations as may be prescribed by the Comptroller General of the United States. The audit shall be conducted at the place or places where the accounts of the Board are kept.

"(c) Any Director, officer or employee who shall refuse to give all required assistance and information to the accountants selected by the Board or who shall refuse to submit to them for examination such books, documents, records, files, accounts, papers, things or property as may be requested shall, in the discretion of the Board, forfeit his office.

"Reports

"71. The Board shall make and publish an annual report on its programs, operations and finances, which shall be distributed in the same manner provided by Section 70 of this Article XVI for the report of annual audit. It may also prepare, publish and distribute such other public reports and informational materials as it may deem necessary or desirable.

"Insurance

"72. The Board may self-insure or purchase insurance and pay the premiums therefore against loss or damage to any of its properties; against liability for injury to persons or property; and against loss of revenue from any cause whatsoever. Such insurance coverage shall be in such form and amount as the Board may determine, subject to the requirements of any agreement arising out of issuance of bonds or other obligations by the Authority.

"Purchasing

"73. Contracts for the construction, reconstruction or improvement of any facility when the expenditure required exceeds ten thousand dollars ($10,000) and contracts for the purchase of supplies, equipment and materials when the expenditure required exceeds two thousand five hundred dollars ($2,500) shall be advertised and let upon sealed bids to the lowest responsible bidder. Notice requesting such bids shall be published in a manner reasonably likely to attract prospective bidders, which publication shall be made at least ten days before bids are received and in at least two newspapers of general circulation in the Zone. The Board may reject any and all bids and readvertise in its discretion. If after rejecting bids the Board determines and resolves that, in its opinion, the supplies, equipment and materials may be purchased at a lower price in the open market, the Board may give each responsible bidder an opportunity to negotiate a price and may proceed to purchase the supplies, equipment and materials in the open market at a negotiated price which is lower than the lowest rejected bid of a responsible bidder, without further observance of the provisions requiring bids or notice. The Board shall adopt rules and regulations to provide for purchasing from the lowest responsible bidder when sealed bids, notice and publication are not required by this section. The Board may suspend and waive the provisions of this section requiring competitive bids whenever:

"(a) the purchase is to be made from or the contract is to be made with the federal or any State government or any agency or political subdivision thereof or pursuant to any open end bulk purchase contract of any of them;

"(b) the public exigency requires the immediate delivery of the articles;

"(c) only one source of supply is available; or

"(d) the equipment to be purchased is of a technical nature and the procurement thereof without advertising is necessary in order to assure standardization of equipment and interchangeability of parts in the public interest.

"Rights of way

"74. The Board is authorized to locate, construct and maintain any of its transit and related facilities in, upon, over, under or across any streets, highways, freeways, bridges and any other vehicular facilities, subject to the applicable laws governing such use of such facilities by public agencies. In the absence of such laws, such use of such facilities by the Board shall be subject to such reasonable conditions as the highway department or other affected agency of a signatory party may require: *Provided, however,* That the Board shall not construct or operate transit or related facilities upon, over, or across any parkways or park lands without the consent of, and except upon the terms and conditions required by, the agency having jurisdiction with respect to such parkways and park lands, but may construct or operate such facilities in a subway under such parkways or park lands upon such reasonable terms and conditions as may be specified by the agency having jurisdiction with respect thereto.

"Compliance with laws, regulations and ordinances

"75. The Board shall comply with all laws, ordinances and regulations of the signatories and political subdivisions and agencies thereof with respect to use of streets, highways and all other vehicular facilities, traffic control and regulation, zoning, signs and buildings.

"Police

"76. The Board is authorized to employ watchmen, guards and investigators as it may deem necessary for the protection of its properties, personnel and passengers and such employees, when authorized by any jurisdiction within the Zone, may serve as special police officers in any such jurisdiction. Nothing contained herein shall relieve any signatory or political subdivision or agency thereof from its duty to provide police service and protection or to limit, restrict or interfere with the jurisdiction of or performance of duties by the existing police and law enforcement agencies.

"Exemption from regulation

"77. Except as otherwise provided in this Title, any transit service rendered by transit facilities owned or controlled by the Authority and the Authority or any corporation, firm or association performing such transit service pursuant to an operating contract with the Authority, shall, in connection with the performance of such service, be exempt from all laws, rules, regulations and orders of the signatories and of the United States otherwise applicable to such transit service and persons, except that laws, rules, regulations and orders relating to inspection of equipment and facilities, safety and testing shall remain in force and effect: *Provided, however,* That the Board may promulgate regulations for the safety of the public and employees not inconsistent with the applicable laws, rules, regulations or orders of the signatories and of the United States.

"Tax exemption

"78. It is hereby declared that the creation of the Authority and the carrying out of the corporate purposes of the Authority is in all respects for the benefit of the people of the signatory states and is for a public purpose and that the Authority and the Board will be performing an essential governmental function, including, without limitation, proprietary, governmental and other functions, in the exercise of the powers conferred by this Title. Accordingly, the Authority and the Board shall not be required to pay taxes or assessments upon any of the property acquired by it or under its jurisdiction, control, possession or supervision or upon its activities in the operation and maintenance of any transit facilities or upon any revenues therefrom and the property and income derived therefrom shall be exempt from all federal, State, District of Columbia, municipal and local taxation. This exemption shall include, without limitation, all motor vehicle license fees, sales taxes and motor fuel taxes.

"Free transportation and school fares

"79. All laws of the signatories with respect to free transportation and school fares shall be applicable to transit service rendered by facilities owned or controlled by the Authority.

"Liability for contracts and torts

"80. The Authority shall be liable for its contracts and for its torts and those of its Directors, officers, employees and agent committed in the conduct of any proprietary function, in accordance with the law of the applicable signatory (including rules on conflict of laws), but shall not be liable for any torts occurring in the performance of a governmental function. The exclusive remedy for such breach of contracts and torts for which the Authority shall be liable, as herein

provided, shall be by suit against the Authority. Nothing contained in this Title shall be construed as a waiver by the District of Columbia, Maryland, Virginia and the counties and cities within the Zone of any immunity from suit.

"Jurisdiction of courts

"81. The United States District Courts shall have original jurisdiction, concurrent with the Courts of Maryland and Virginia, of all actions brought by or against the Authority and to enforce subpoenas issued under this Title. Any such action initiated in a State Court shall be removable to the appropriate United States District Court in the manner provided by Act of June 25, 1948, as amended (28 U.S.C. 1446).

"Condemnation

"82. (a) The Authority shall have the power to acquire by condemnation, whenever in its opinion it is necessary or advantageous to the Authority to do so, any real or personal property, or any interest therein, necessary or useful for the transit system authorized herein, except property owned by the United States, by a signatory, or any political subdivision thereof, or by a private transit company.

"(b) Proceedings for the condemnation of property in the District of Columbia shall be instituted and maintained under the Act of December 23, 1963 (77 Stat. 577–581, D.C. Code 1961, Supp. IV, secs. 1351–1368). Proceedings for the condemnation of property located elsewhere within the zone shall be instituted and maintained, if applicable, pursuant to the provisions of the Act of August 1, 1888, as amended (25 Stat. 357, 40 U.S.C. 257) and the Act of June 25, 1948 (62 Stat. 935 and 937, 28 U.S.C. 1358 and 1403) or any other applicable Act; provided, however, that if there is no applicable Federal law, condemnation proceedings shall be in accordance with the provisions of the State law of the signatory in which the property is located governing condemnation by the highway agency of such State. Whenever the words 'real property,' 'realty,' 'land,' 'easement,' 'right-of-way,' or words of similar meaning are used in any applicable Federal or State law relating to procedure, jurisdiction and venue, they shall be deemed, for the purpose of this Title, to include any personal property authorized to be acquired hereunder.

"(c) Any award or compensation for the taking of property pursuant to this title shall be paid by the Authority, and none of the signatory parties nor any other agency, instrumentality or political subdivision thereof shall be liable for such award or compensation.

"Enlargement and withdrawal; duration

"83. (a) When advised in writing by the Northern Virginia Transportation Commission or the Washington Suburban Transit Commission that the geographical area embraced therein has been enlarged, the Board, upon such terms and conditions as it may deem appropriate, shall by resolution enlarge the zone to embrace the additional area.

"(b) The duration of this title shall be perpetual but any signatory thereto may withdraw therefrom upon two years' written notice to the Board.

"(c) The withdrawal of any signatory shall not relieve such signatory, any transportation district, county or city or other political subdivision thereof from any obligation to the Authority, or inuring to the benefit of the Authority, created by contract or otherwise.

"Amendments and supplements

"84. Amendments and supplements to this title to implement the purposes thereof may be adopted by legislative action of any of the signatory parties concurred in by all of the others.

"Construction and severability

"85. The provisions of this title and of the agreements thereunder shall be severable and if any phrase, clause, sentence or provision of this title or any such agreement is declared to be unconstitutional or the applicability thereof to any signatory party, political subdivision or agency thereof is held invalid, the constitutionality of the remainder of this title or any such agreement and the applicability thereof to any other signatory party, political subdivision or agency thereof or circumstance shall not be affected thereby. It is the legislative intent that the provisions of this title be reasonably and liberally construed.

"Effective date; execution

"86. This Title shall be adopted by the signatories in the manner provided by law therefor and shall be signed and sealed in four duplicate original copies. One such copy shall be filed with the Secretary of State of each of the signatory parties or in accordance with laws of the State in which the filing is made, and one copy shall be filed and retained in the archives of the Authority upon its organization. This Title shall become effective ninety days after the enactment of concurring legislation by or on behalf of the District of Columbia, Maryland and Virginia and consent thereto by the Congress and all other acts or actions have been taken, including the signing and execution of the Title by the Governors of Maryland and Virginia and the Commissioners of the District of Columbia."

SEC. 2. The Commissioners of the District of Columbia are authorized and directed to enter into and execute an amendment to the Compact substantially as set forth above with the States of Virginia and Maryland and are further authorized and directed to carry out and effectuate the terms and provisions of said Title III, and there are hereby authorized to be appropriated out of District of Columbia funds such amounts as are necessary to carry out the obligations of the District of Columbia in accordance with the terms of the said Title III.

SEC. 3. (a) To assure uninterrupted progress in the development of the facilities authorized by the National Capital Transportation Act of 1965, the transfer of the functions and duties of the National Capital Transportation Agency (herein referred to as the Agency) to the Washington Metropolitan Area Transit Authority (herein referred to as the Authority) as required by Section 301(b) of the National Capital Transportation Act of 1960 shall take place whenever the Authority demonstrates to the satisfaction of the Committees on the Judiciary of the United States Senate and House of Representatives a readiness to set into operation a workable financial plan, a physical plan for a regional transit system, and a program for taking over the functions and duties of the Agency, said program to include procedures for orderly transfer of staff personnel from the Agency to the Authority. Financial and physical plans and the program for transition of the functions and duties of the Agency to the Authority may be submitted to the aforementioned Committees on the Judiciary by the Authority at any time between the effective date of this Act and July 1, 1968.

(b) Upon the effective date of the transfer of functions and duties authorized by subsection (a) of this section, the President is authorized to transfer to the Authority such real and personal property, studies, reports, records, and other assets and liabilities as are appropriate in order that the Authority may assume the functions and duties of the Agency and, further, the President shall make provision for the transfer to the Authority of the unexpended balance of the appropriations, and of other funds, of the Agency for use by the Authority but such unexpended balances so transferred shall be used only for the purpose for which such appropriations were originally made. Subsequent to said effective date, there is authorized to be appropriated to the Department of Housing and Urban Development, for payment to the Authority, any unappropriated portion of the authorization specified in Section 5(a)(1) of the National Capital Transportation Act of 1965. There is also authorized to be appropriated to the District of Columbia out of the general fund of the District of Columbia, for payment to the Authority, any unappropriated portion of the authorization specified in section 5(a)(2) of such Act. Any such appropriations shall be used only for the purposes for which such authorizations were originally made.

(c) Pending the assumption by the Authority of the functions and duties of the Agency, the Agency is authorized and directed, in the manner herein set forth, fully to cooperate with and assist the Authority, the Northern Virginia Transportation Commission and the Washington Suburban Transit Commission in the development of plans for the extensions, new lines and related facilities required to expand the basic system authorized by the National Capital Transportation Act of 1965 into a regional system, but, pending such transfer of functions and duties, nothing in this Act shall be construed to impair the performance by the Agency of the functions and duties imposed by the National Capital Transportation Act of 1965.

(d) In order to provide the cooperation and assistance specified in subsection (c) of this section, the Agency is authorized to perform, on a reimbursable basis, planning, engineering and such other services for the Authority, as the Authority may request, or to obtain such services by contract, but all such assistance and services shall be rendered in accordance with policy determinations made by the Authority and shall be advisory only.

(e) Amounts received by the Agency from the Authority as provided in subsection (d) of this section shall be available for expenditure by the Agency in performing services for the Authority.

SEC. 4. The United States District Courts shall have original jurisdiction, concurrent with the Courts of Maryland and Virginia, of all actions brought by or against the Authority and to enforce subpoenas issued pursuant to the provisions of Title III. Any such action initiated in a State court shall be removable to the appropriate United States District Court in the manner provided by the Act of June 25, 1948, as amended (28 U.S.C. 1446).

SEC. 5. (a) All laws or parts of laws of the United States and of the District of Columbia inconsistent with the provisions of Title III of this Act are hereby amended for the purpose of this Act to the extent necessary to eliminate such inconsistencies and to carry out the provisions of this Act and Title III and all laws or parts of laws and all reorganization plans of the United States are hereby amended and made applicable for the purpose of this Act to the extent necessary to carry out the provisions of this Act and Title III.

(b) Section 202 of the National Capital Transportation Act of 1960 (Public Law 86–669, 74 Stat. 537), as amended by Section 7 of the National Capital Transportation Act of 1965 (Public Law 89–173, 79 Stat. 666) is hereby repealed.

SEC. 6.(a) The right to alter, amend or repeal this Act is hereby expressly reserved.

(b) The Authority shall submit to Congress and the President copies of all annual and special reports made to the Governors, the Commissioners of the District of Columbia and/or the legislatures of the compacting States.

(c) The President and the Congress or any committee thereof shall have the right to

require the disclosure and furnishing of such information by the Authority as they may deem appropriate. Further, the President and Congress or any of its committees shall have access to all books, records and papers of the Authority as well as the right of inspection of any facility used, owned, leased, regulated or under the control of said Authority.

(d) In carrying out the audits provided for in section 70(b) of the Compact the representatives of the General Accounting Office shall have access to all books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the Board and necessary to facilitate the audit, and they shall be afforded full facilities for verifying transactions with the balances or securities held by depositories, agents, and custodians.

And to amend the preamble so as to read:

"Whereas Congress heretofore has declared in the National Capital Transportation Act of 1960 (Public Law 86–669, 74 Stat. 537) and in the National Capital Transportation Act of 1965 (Public Law 89–173, 79 Stat. 663) that a coordinated system of rail rapid transit, bus transportation service, and highways is essential in the National Capital region for the satisfactory movement of people and goods, the alleviation of present and future traffic congestion, the economic welfare and vitality of all parts of the region, the effective performance of the functions of the United States Government located within the region, the orderly growth and development of the region, the comfort and convenience of the residents and visitors to the region, and the preservation of the beauty and dignity of the Nation's Capital and that such a system should be developed cooperatively by the Federal, State, and local governments of the National Capital region, with the costs of the necessary facilities financed, as far as possible, by persons using or benefiting from such facilities and the remaining costs shared equitably among the Federal, State, and local governments;

"Whereas in furtherance of this policy, Congress, in title III of the National Capital Transportation Act of 1960, authorized the District of Columbia, the Commonwealth of Virginia, and the State of Maryland to negotiate a compact for the establishment of an organization, empowered, inter alia, to provide regional transportation facilities;

"Whereas, it is the sense of the Congress that the mass transit plan authorized by the compact and this Act shall conform to the fullest extent practicable with the comprehensive plan for the National Capital and the general plan for the development of the National Capital region prepared pursuant to the National Capital Planning Act of 1952 (Public Law 82–592, 66 Stat. 781); and

"Whereas, the District of Columbia, the Commonwealth of Virginia, and the State of Maryland, with a representative of the United States appointed by the President, have negotiated such a compact, known as the Washington Metropolitan Area Transit Authority Compact, which amends the Washington Metropolitan Area Transit Regulation Compact, heretofore consented to by the Congress (Public Law 86–794, 74 Stat. 1031, as amended by Public Law 87–767, 76 Stat. 764), by adding thereto a title III and said compact has been enacted by Maryland (ch. 869, Acts of General Assembly 1965) and in substantially the same language by Virginia (ch. 2, 1966 Acts of Assembly): Now, therefore,".

Mr. TYDINGS. Mr. President, S. 3488 is the bill to create an interstate authority to build and provide for the operation of a rapid mass transit system for the Washington metropolitan area. This bill was passed unanimously by the Senate on August 25. It was passed by the House last Friday, October 7, with a number of amendments made necessary by typographical errors in the Senate-passed bill.

The Senate-passed bill and the House-passed bill are identical except for these typographical changes. Therefore, in a moment, I will ask the Senate to accept the House amendments, thereby completing congressional action on the compact and sending it the President for his signature.

First, I want to acknowledge the courtesy, help, and industry which the distinguished Senator from Nebraska [Senator HRUSKA] so generouly contributed to the Senate consideration of this bill. As a member of the special Judiciary Subcommittee appointed to consider the compact, Senator HRUSKA's insights, energy, and cooperation greatly aided and facilitated Senate action on this bill. As chairman of that subcommittee and as a representative of a State which has a vital interest in the success of this compact, I want to express special thanks to Senator HRUSKA for his help and his wisdom in our proceedings on this compact.

The significance of this legislation can hardly be overstated. The transit system made possible by this bill is only the second all-new city transit network created in the United States in almost 60 years. It will be the object of intense scrutiny by urban planners and transportation specialists all across the country. What we do here in Washington with our subway system will certainly significantly influence the entire course of urban mass transit planning across the entire United States, and, indeed, perhaps throughout the world.

This transit system is a desperately needed and long-overdue addition to the Washington metropolitan area transportation system. We must surely continue to build the highways we need to accommodate quickly and safely the ever-increasing number of autos in this country. But we have ignored mass rapid transit systems for our cities tragically too long. We now face the very real possibility—and some of our cities have already nearly done it—of having to pave over much of our entire city areas, in order to provide enough highways just to get people to and from work.

The Washington subway will prove that a city can live with the automobile without living for it. The Washington subway system will prove that in an era in which we are willing and able to pay to send men safely to the moon, we can find a way to get them safely, and quickly, and inexpensively, across town.

This compact legislation will make possible the rapid transportation system Washington badly needs. Washington does not end at the District line. The interests and futures of the Maryland and Virginia suburbs are inseparably tied to interests and future of the District of Columbia. The residents of the Washington suburbs need the economic and cultural life of the District of Columbia. And the residents of the District of Columbia need the business brought to the District of Columbia by the suburbanites and the job opportunities which exist in the suburbs.

No one who has ever tried to get in or out of downtown Washington at rush hour would question whether we need an alternative to highway travel throughout the Washington area. And for the many city dwellers who have no cars, even an empty highway is a road of despair when the jobs are in the suburbs.

The 25-mile District of Columbia portion of the subway should and must have the top construction priority under the regional compact. But the design and integration of the best regional system possible must proceed simultaneously with construction of the area system, and construction of the entire regional system must be undertaken as soon and as rapidly as possible. The longer we wait, the more expensive the system will be, and the more desperate the need will become.

The fullest cooperation and extraordinary hard work on the part of everyone associated with the subway project will be necessary to meet the acute need for regional rapid transit in the shortest possible time. This compact legislation provides that on September 30, 1967, the Washington Metropolitan Area Transit Authority the compact creates is to assume full responsibility for planning and constructing the entire transit system. This date must be met if the development and financing of the system is to proceed on schedule. The Congress has a right to expect this date to be met. The Congress does expect it to be met.

Mr. President, the enactment of this transit compact today is a proud and important event for Washington. This compact joins the efforts of two States and the District of Columbia to meet a severe local problem at the local level. It is thus both an important exercise in responsible federalism and a long overdue response to the urgent transportation crisis facing the Nation's Capital.

Mr. President, I ask unanimous consent that we may include at this point in the RECORD remarks by the distinguished senior Senator from Virginia [Mr. ROBERTSON].

The PRESIDING OFFICER. Without objection, the remarks of the Senator from Virginia [Mr. ROBERTSON] will be printed in the RECORD.

STATEMENT BY SENATOR ROBERTSON

I am delighted that, after many years of work on my part and on the part of many others, we finally have an interstate authority created and ratified by the Congress of the United States, as well as by the sovereign States of Virginia and Maryland, which will provide the mechanism to build and provide for the operation of a rapid mass transit system for the Washington metropolitan area.

I first began work on this important project many years ago. The bill which we ratify today was introduced by myself, together with my colleague, the junior Senator from Virginia [Mr. BYRD], and Senators BREWSTER and TYDINGS of Maryland. I think this represents a culmination of many years of effort.

Mass rapid transit has too long been ignored for the Capital City of the United States. The compact which we ratify today will one day provide the means for rapid transportation for the great majority of our people who live in the suburbs of Washington and work in the Nation's Capital.

I congratulate the Senate on its action today, and I hope that the Senate will concur in the amendments of the House of Representatives and pass S. 3488, as amended.

Mr. BREWSTER. Mr. President, I want to thank you for this opportunity to speak in support of S. 3488, a bill which would authorize the District of Columbia to cooperate with the States of Maryland and Virginia in creating a Washington Metropolitan Area Transit Authority.

A portion of this legislation is before Congress because Washington—without home rule—must rely on us to act as its town council. The second purpose of this bill is to grant congressional consent to the interstate compact which is required by the Constitution. Another purpose is to transfer authority for the mass transit system from a Federal agency—the National Capital Transportation Agency to a local one—the Transit Authority.

President Johnson, in his letter of June 9, 1966, to the Senate and House, pointed to the principal issue, and I quote—

The economic well-being of this region—and the efficient functioning of the Government iself—depend more and more each year on adequate mass transporation facilities. No system of freeways, no matter how extensive or well planned, can suffice much longer.

I believe it is significant that this legislation is cosponsored by all four Senators who represent portions of the Washington metropolitan area. The compact has already been approved by the State Legislatures of Maryland and Virginia.

This legislation is clearly recognized to be an essential step toward the development of a balanced transportation network for the National Capital region.

I urge its passage.

Mr. BYRD of Virginia. Mr. President, I urge the Senate to approve the amendments and ratify the compact.

This will mean much to the States of Virginia and Maryland and to the District of Columbia. This area must have a rapid mass transportation system, and this legislation will provide the beginning.

Mr. TYDINGS. Mr. President, I move that the Senate concur in the amendments of the House.

The motion was agreed to.

AID'S HEALTH PROGRAM IN VIETNAM

Mr. INOUYE. Mr. President, the day-to-day horrors of the war in Vietnam have become painfully familiar to us through the press and television coverage of that bitter and bloody struggle. The conscience of the Nation has frequently been stirred to indignation by the sight of wounded and mutilated innocent victims of the war, and I have received many inquiries from concerned constituents anxious to know what the U.S. Government is doing to alleviate the suffering of the civilian population in Vietnam caught as they are in the crossfire of two mighty forces.

During the last 2 years there has been another buildup alongside the much publicized military buildup which has not received the attention and publicity which I think it deserves. I am referring to a medical program supported by the U.S. Government through the Agency for International Development which under the dynamic and imaginative leadership of Maj. Gen. James W. Humphreys, M.D., on loan from the Air Force, is devoted to the care of the wounded and sick civilians of Vietnam. This program is revolutionizing patient care in Vietnam, and it has developed with astonishing speed. I cite in round figures:

The cost of the program in fiscal year 1965 was $5 million; fiscal year 1966, $21 million; fiscal year 1967, $45 million.

Two years ago we had merely three teams of doctors and nurses in the field and today we have 42. These teams cover almost every province in the country. In this program the United States is not standing alone. Our allies among the other free world nations have responded to the needs of the suffering people of Vietnam and have shown their sympathy for the Vietnamese people and American policy in Vietnam by contributing medical personnel.

So far, 9 countries have contributed 17 teams. They are:

Australia	2
New Zealand	1
Switzerland	1
Spain	1
Great Britain	1
Korea	5
Philippines	4
Iran	1
Republic of China	1

These countries have contributed 51 doctors, 89 nurses, and 38 technicians.

The Federal Republic of Germany has contributed a hospital ship. In addition to these teams, there are four U.S. specialty teams and 21 military teams on loan to and under the operational control of the US/AID Health Division in Saigon. The grand total of non-Vietnamese health personnel working with AID is well over 700 and of these more than 200 are M.D.'s.

HOSPITAL RENOVATION

Most of the health facilities in Vietnam were constructed in the late 19th century by the French Colonial Government, and although they may have been adequate when constructed, the advance of medical science has overtaken them. Most are short of electricity, water, and sewage disposal. In order that our doctors and nurses may work to maximum efficiency, the health facilities in Vietnam must be brought up to date. Due to the war and the state of the Vietnamese economy, very little advancement has been possible on the part of the Vietnamese Government to renovate their hospitals. AID 2 years ago completed the construction and equipping of 26 surgical suites throughout the country. Also 2 years ago plans were developed for the renovation of 15 province hospitals. This program has had to be cut back to 10 due to rising costs, but it is rapidly nearing completion at a cost of $10 million. Plans are being developed for the rehabilitation of a further 10 hospitals in the immediate future. At the same time, an architects and engineers survey will be conducted of all the health facilities in Vietnam in order to standardize and re-equip all the hospitals and dispensaries in order to bring them up to an acceptable and appropriate standard best suited to the needs and conditions prevailing in that country.

REHABILITATION CENTER

In a war situation such as we have in Vietnam, there are many civilian as well as military war casualties. This is a sad fact of life, and little can be done to prevent it in a war with no frontiers where the enemy mines roads and uses civilians as screens for their acts of terrorism. And where the innocent are frequently caught in the heavy crossfire of the warring protagonists. Mindful of this tragic situation, particularly with regard to amputees, the National Rehabilitation Center in Saigon has received truly remarkable help through an AID contract with the World Rehabilitation Fund under the expert advice of Dr. Howard Rusk.

By using the most modern techniques and materials available, the center, which formerly could produce only 30 artificial limbs a month, necessitating a delay to the patient from first being seen to a final fitting of several months, can now produce almost 500 light, modern, durable plastic limbs each month with the average time from the patient being first seen to actually walking out reduced to 5 to 7 days.

Mr. President, this is a very heartening achievement. Plans have been prepared to extend this service by the establishment of three regional centers in the next few months. Forty Vietnamese, many of them disabled themselves, have already been trained for this work. Sixty military patients paralyzed as the result of war injuries were brought to the United States 9 months ago for treatment, rehabilitation, and training in order that they may be able to lead more useful lives. Many of these men are now ready to return to their families, not to be a burden but to use their newly learned skills and in many cases assume once again the role of breadwinners for their families and lead lives of dignity and service. Mr. President, these are positive and potent programs.

PUBLIC HEALTH

In Vietnam epidemics of cholera, plague, typhoid, and malaria are not uncommon and the chances of their occurrence are increased by the prevailing state of war. Extensive public health measures are being undertaken with the cooperation of the Ministry of Health. There has been in the past a very successful malaria eradication program. In 1965, almost one million houses were sprayed. While it is true that this activity is seriously curtailed due to acts of terrorism by the Vietcong, as soon as there is enough security to allow the spray teams to function, it will be reintroduced in full force.

For several years immunization programs against cholera, plague, and typhoid have been supported and teams are on constant alert to fly anywhere in the country where outbreaks threaten.

In September 1966 a pilot project of immunization against polio was made possible by the generous donation of 500,000 doses of polio vaccine from the Government of Canada.

Due to the efforts of the AID health branch, the mammoth problem of garbage collection in Saigon and other urban centers is coming under control.

MEDICAL EDUCATION

All of the foregoing efforts will be wasted if we cannot help the Vietnamese to train their own personnel to eventually be free of the need for foreign medical personnel. Treating the sick and injured is only part of the problem. The future of medical practice in Vietnam does not depend on our doctors and nurses currently rendering aid to Vietnamese patients although they have a valuable role to play in passing on new skills to their colleagues on an individual basis and incidently learning from them. The U.S. AID is seeking to elevate the standard of training for doctors and nurses and also to increase the numbers produced. To this end, a basic science building for the medical and dental schools has been constructed and will be in use in a few weeks. This $4 million project is one of the finest and best equipped schools in the Far East. In order to supplement the Vietnamese faculty of medicine which is only 25 percent up to strength, a contract has been signed with the American Medical Association to provide professors and lecturers to instruct in physiology and anatomy and other specailists in other disciplines are being sought. The shortage of professors for the medical school is due to the division of the University of Hanoi when Vietnam was divided into North and South by the Geneva agreements of 1954. Due to the shortage of faculty, very little or no formal postgraduate training is available for young medical graduates in Vietnam. At present there are 32 participants, both doctors and nurses, undergoing advanced training in the United States. They will eventually return to Vietnam to impart their skills and knowledge to others. There are also many participants in many other countries.

Training doctors alone will not cope with the problem since they need other disciplines to assist with the whole care of the patient. At present there are four nursing schools, two of which have been set up during the last 10 months. It is planned to support a total of 8 nursing schools by 1968 which will graduate 600 nurses annually, an increase of 100 percent.

Other auxiliary staff are also urgently needed. Twenty-two anesthetists using modern uncomplicated apparatus have recently been graduated and a further class is in training. Plans are being drawn up to develop and expand courses to train laboratory and X-ray technicians.

In this brief outline, I hope that I have been able to indicate at least some of the great concern felt by the U.S. Government for the suffering and courageous people of Vietnam. Naturally such a large and complex program is not without its problems and there have from time to time been shortages of drugs and supplies. The AID mission is taking vigorous steps to minimize these difficulties. From time to time critical articles appear in the press about conditions in some of the hospitals in Vietnam. Substandard conditions when compared with hospitals in the United States are widespread. However, these criticisms take a very short term view, and I am assured by medical experts that the advance in in-patient care in Vietnam over the last 3 years has been truly amazing. This year, more than 2 million patients will be treated by United States and free world teams.

Medical aid is available to Vietnamese civilians on a scale and sophistication never before seen in the country.

I am proud to bring to the attention of the Senate the comprehensive and excellent medical aid program which the United States and her allies with the cooperation of the Government of the Republic of Vietnam are bringing to that war-torn country in a spirit of compassion for the suffering of her people in their bitter struggles against the evil forces of communism.

THE WAR IN VIETNAM

Mr. STENNIS. Mr. President, the war in Vietnam gives us very serious reasons to pause and review the situation. I think that we have had so many diversions with other matters during this session that we have given this war relatively low priority in our debates and discussions. It is time that we take a good hard look at the realities.

Mr. President, I continue to be impressed and almost appalled by the fact that a nation of this kind has been able to tie us down as it has, and that it apparently will continue to do so, even though it has very little industry and no semblance of a modern war machine in the sense with which we are familiar.

We find ourselves tied down and forced to commit a very substantial portion of our military manpower and resources to repel the aggression of this small, nonindustrial and third-rate nation with a population of about 17 million.

That nation has virtually no air power; it has a very insignificant industrial capacity; and the per capita income of its inhabitants is somewhere around $150 a year.

It is true it receives very substantial aid from two Communist world powers, but at the same time it is carrying most of the load as far as fighting the war is concerned.

Despite these facts, the repeated overtures which our President has made in an effort to obtain an honorable diplomatic settlement at the conference table have been just as repeatedly scorned and rejected.

It is time for us to face the cold-and-hard fact that our Communist adversaries have not shown the slightest interest in a peaceful settlement. Our efforts to negotiate, which in number and sincerity are probably without parallel in history, have availed nothing. Therefore, it becomes increasingly important that all Americans, in and out of Government, fully realize the growing "bigness" of the war in which we are engaged and its very serious implications for our present and future.

As chairman of the Preparedness Investigating Subcommittee and as a member of the Committee on Armed Services and the Committee on Appropriations, I have been very close to the progress and escalation of the war and to the demands and requirements which it has imposed upon us and our military forces. Therefore, I speak as one who has been repeatedly and constantly exposed to the facts with respect to our military buildup and effort.

Despite the fact that North Vietnam is an underdeveloped country, with no navy or air force worthy of the name, the grim shadows of this war are falling upon more and more American homes and are impacting with increasing seriousness upon many important segments of our economy and social structure.

Mr. President, I am compelled to suggest that with the exception of our men in uniform, and with the exception of their families and immediate friends and associates, the rest of us really have not felt and are not feeling this war. This is one reason the Nation as a whole does not realize the grimness and seriousness of it, and the serious situation we face.

The end is not now in sight. Barring an unexpected turn of events, it appears that we will have at least 500,000 military personnel in South Vietnam by the end of 1967. One high ranking and greatly respected general is reputed to have forecasted that there may be a requirement for at least 750,000 American troops. It is estimated by our informed and knowledgeable military officials that more than 5,000 American boys will lose their lives in combat next year. I think that is a conservative figure.

In short, this is by no means a little war by any standard or definition. It already ranks in size with the Korean war, during which the maximum American commitment, both on the land and offshore, at any one time was about 475,000 men.

The increasing seriousness of the war and the impact of its demands is indicated by the trend of draft calls. The September draft call was increased from 31,300 to 37,300. The October call originally set at 46,000, was boosted to 49,200. The call for November was originally 43,700, and has now been reduced to 37,600.

As I have mentioned, the November call has been reduced. I believe the reason was an unexpected increase in enlistments and re-enlistments. It does not mean that we are taking a lesser number of men into the military services.

These figures only partially illustrate the magnitude of our manpower problems. The draft standards have been lowered so as to require the taking of former rejectees instead of the higher qualified people that the services desire. As an example, effective October 1, 1966, by order of the Secretary of Defense, 25 percent of the men accepted by the Army

must be from the group previously considered unqualified for military service. In addition, the Selective Service System has now authorized local draft boards to draft men over the age of 26 if their quotas cannot otherwise be filled.

Optimistic assertions and rosy generalities cannot obscure entirely the many problems which we have faced and continue to face in waging the war and providing the necessary manpower, weapons, equipment, and materiel. Many of these problems have arisen because we have continued to operate for too long a time under peacetime military programs and have made plans and taken action on a piecemeal basis, and then only when the cold and hard facts made further delay impossible. Mr. President, that is spelled "p-i-e-c-e-m-e-a-l" basis.

We can no longer operate on this basis. We must act promptly to remove any uncertainty about either our capabilities or our determination. We must prepare for the long pull in Vietnam, and at the same time do whatever is necessary to insure that we are reasonably well prepared to meet other contingencies which may arise. I do not think we can absolutely meet all of our many commitments around the world. In short, we must abandon the piecemeal planning which has hampered our military efforts. We must buckle down, face up to realities, and do the long-range planning in manpower, financing, procurement and military operations which is so vital and essential to a war-winning capability. That is what it is going to take: a war-winning capability. We have not faced up to that fact yet.

Mr. President, I do not make the assertion that we have planned this war on a piecemeal basis lightly. The facts establish that in many cases this is all too true.

It is certainly true in the area of funding. Requests to the Congress for the money needed to finance the war have been deferred until the last possible moment—almost as if our planners were postponing necessary action as long as possible in the vain hope that the very manifest problems would, by some miracle, disappear. For example, even with the requirements of escalation staring us in the face, the Congress was told as late as July of last year that the fiscal year 1966 budget request covered all the funds which were then foreseen to be needed by the military forces. It was not until Secretary McNamara returned from his trip to Vietnam that we were informed that a supplemental appropriation would be inevitable. Even so, despite an open invitation by the Congress, defense authorities then refused to present a realistic estimate of the actual requirements which had been generated as a result of the hostilities. The matter was delayed until January of this year and we were then presented with a supplemental request for $12.7 billion.

Mr. President, the expanded requirements of the war were certainly known. They were announced in July of last year. Surely they were known for some time before then. Yet, Mr. President, we were here until October 15 and no real cost estimates were given to us, even for our information. We had no chance either to express a judgment on the financial needs or to appropriate the funds which were required.

If for no other reason—and there are many other reasons—the business and manufacturing world is entitled to some kind of advance information about needs which are known, in order to give them a better opportunity to meet and fill the orders when they receive them.

The same situation exists this year. Fiscal planning was based upon the arbitrary assumption that the war would end by July 1, 1967. Fortunately, this unrealistic assumption apparently has now been abandoned. However, the fact remains that the fiscal year 1967 defense budget is clearly inadequate in the face of our clear and growing needs. Despite this, Congress has not been able to obtain from defense officials even a ball park estimate either of the current rate of spending for the war or what the fiscal year 1967 supplemental request will be. It is all too clear that, under this piecemeal planning, we will be faced with a supplemental request for fiscal year 1967 of from $12 to $15 billion early next year.

Personally, I think these are the minimum figures, the lowest reasonable estimate which can be given. Funds for replacements to take care of the shortages, attrition and losses could add $2 billion to $3 billion to the figure I mentioned. I think the probabilities are that the figure of $2 billion a month as the cost of the war is too low, and that the $15 billion which I suggest as the amount of the supplemental request for early next year is too low; that it could run around $17 billion, or even above that, easily.

In the manpower field, we also see the unhappy results of piecemeal planning. Serious problems in this area arose early in the game because of our failure to call reserve forces as was contemplated by Army contingency planning and as was recommended by the Joint Chiefs of Staff on at least three separate occasions, commencing in July 1965.

The failure to call Reserves had several very serious consequences. Units requested by General Westmoreland—particularly specialized units in the combat support and service support fields—were not furnished within the time frame desired by him. Units in the United States were levied upon heavily to meet the requirements of Vietnam with a resulting reduction in their combat readiness. It became necessary to convert combat divisions in the United States into training divisions in order to train raw recruits in essential military skills.

Mr. President, we can be thankful that at least a major part of those critical days are past, and that time saved us. But we were forced to take four of our combat divisions, which were thought to be as fine, if not the finest in the world, and tear them to pieces about a year ago. We made training divisions out of them by bringing in at least 50 percent of their manpower as raw recruits from the field. Time has saved us, as I say, and one of these divisions—the 4th Infantry—is back up to its former standards.

It even became necessary to withdraw many thousands of hard skilled Army personnel from our forces in Europe. This had the effect of reducing the combat readiness and effectiveness of these forces for many months.

Mr. President, it can also be said as a certain, general fact, as to personnel, that many, many of the very finest men we have—officers, enlisted men, and noncommissioned officers—have been withdrawn from units that have not gone to Vietnam, and have been sent as replacements thus creating an obvious temporary weakness left in the units remaining behind.

It is obvious that the manpower problems are far from being behind us. This is indicated by the recent actions taken with respect to the draft which I have already described. It is evidenced also by the continuing necessity to levy upon at least three Army divisions in the United States as a source of manpower for Vietnam. As a result, these divisions—and I name them—the 5th Infantry at Fort Carson, Colo., and the 1st and 2d Armored at Fort Hood, Tex.—have not yet been rebuilt to a combat-ready status. That is because of withdrawing so many of these key men.

Thus, when we estimate or project the number of men we will send to South Vietnam, it is always necessary to modify the estimate or projection by a very important and significant "if." This "if" is tied in with the question of whether the trained men will be available in the requisite number without either partial mobilization or drawing down further upon our forces in Europe, or both.

Fortunately, Congress, in passing the fiscal year 1967 Defense Appropriation Act, has given the President the authority he needs to call to active duty the specialized reserve units needed in southeast Asia and to call the trained reserves which are needed to round out active Army combat units and, thus, get them up to an acceptable level of combat readiness. I sincerely hope that the President will use this authority if it is necessary, as I think it is, to reduce or eliminate the current manpower squeeze. I am encouraged in this connection by the reports that the Secretary of the Army believes that the use of this authority is desirable.

The manpower problem has also evidenced itself in the growing and service-wide shortage of aircraft pilots. This shortage stems partially from the fact that, in large measure, our present pilot training is based upon peacetime programs which were inadequate to begin with. The added attrition of pilots which has resulted from wartime operations has increased the magnitude of the problem greatly.

As a result of the pilot shortage, the Navy and Marine Corps, acting under a special law, only recently have been forced to retain cockpit pilots on an involuntary basis by extending their terms of service for 1 year.

Both the Air Force and the Army are also plagued with pilot shortages and very possibly would take the same steps if they had statutory authority to do so. They do not have authority, under

present law, to extend terms of service as do the Marine and Navy.

Overcoming these shortages is not a simple task. It requires long leadtimes, not only to train the pilots, but to establish the necessary training facilities and procure the requisite equipment. This demands that prompt and vigorous action be taken just as quickly as possible and that the peacetime programs be abandoned and replaced with programs which are realistic and adequate to meet the present wartime requirements.

Let me emphasize, Mr. President, that these thoughts grow up out of the facts that have been developed by the Preparedness Subcommittee, in testimony from the records, and from the most reliable sources, a great deal of evidence which was given under oath as well as a great deal of evidence which is documentary.

The shortage of pilots is only one example of our manpower problems. There are many other hard and critical skills in which significant shortages exist and which, therefore, present serious problems to our military services.

I refer to items such as communications specialists, medical personnel, specialists in electronics, and other specialties which require a long period of training.

In the procurement area, we here have also been beset with problems which are almost inevitable under piecemeal planning and when we try to fight a shooting war under peacetime programing. The procurement of ammunition and air munitions has, until recently, been too little and too late and, as a result, we have had significant problems in this area.

The procurement of tactical aircraft is another problem area. The situation pinches now and, because of the long leadtimes involved, will inevitably become worse before it gets better. The recently announced additive procurement, which was almost entirely for the Navy, will certainly not be of material benefit in solving the problems which the Air Force confronts in this field.

Someone may ask, "Who could tell how many planes we would lose or that we would lose so many?" The answer to that question is, "Who could assume we would not lose some planes? Who could assume that we would not probably lose a good many planes?"

We had an item before the Armed Services Committee yesterday. I do not say this in a critical vein. My purpose is to alert the country and arouse additional interest in this subject. We had an item for reprograming before the Armed Services Committee. That matter was presided over by the chairman of the Armed Services Committee, the Senator from Georgia [Mr. RUSSELL]. Under the pressure of other commitments, I could not attend, but I know the substance of the testimony. The Navy asked and was given permission to use money in the current appropriation bill to make a start on contracts for a different kind of plane from the one provided in the bill.

As I have mentioned the Department of Defense budget for fiscal year 1967 was based on an assumption that combat in southeast Asia would terminate on June 30, 1967. There were many who questioned the soundness of the budget being based on such an arbitrary assumption.

An example of how unsound this assumption was is the recent action of the Department of Defense which I have just discussed requesting a reprograming of funds for the procurement of over 200 additional combat aircraft which are required to meet the needs of our Navy forces participating in the southeast Asia conflict. These aircraft will cost approximately $400 million. In order to award contracts for the procurement of these aircraft immediately, and this must be done in order to accelerate the delivery of the aircraft, the Department will defer awarding contracts for various types of aircraft for which funds were included in the Department of Defense Appropriation Act, 1967 which has not yet been approved by the President. The Department of Defense will request funds in the supplemental to be submitted in January to reinstate these deferred programs.

The point involved is that this was not an extraordinary request. The need just was not anticipated. They did not look forward and anticipate these matters. The Navy had no money in the appropriation bill to take care of this item. It was like borrowing in anticipation of taxes for next year.

In summary, the entire spectrum of logistical support for our fighting forces must receive increased attention and more orderly and realistic planning. In all too many instances, potential shortages which could have become critical have been averted by crash programs in both procurement and distribution.

Today's press reports that the backlog of shipping in South Vietnam is still a very serious problem despite assurances earlier this year that the situation had been corrected.

I recite these facts, not for the purpose of being critical, but to emphasize the very vital necessity of hardheaded and realistic procurement programs and practices based upon potential wartime needs and requirements even though this might necessiate the curtailment, reduction or deferment of nondefense programs.

These authorization bills that have been tumbling in here and that we have been passing in the last few weeks, with defense matters in the shape they are, conclusively prove that our thinking is in reverse. We do not give first place to things that should be first in preparing for the hard, severe, and, I think, long-lasting war that we are in.

All of us agree, I am sure, that planning for the best rather than the worst possible situation when fighting a war might delay or defer victory or even put it in doubt.

I want to raise another point that I understand is a serious one. There are others who are more thoroughly versed in it. One might raise a question about the reaction of other countries in the world as they watch the results of our activities in Vietnam with our vast expenditures of $2 billion a month in this effort. It must raise questions in their minds as to our effectiveness and ability to get the job done.

Another question is how much drain it is or may be upon our economy and upon our balance of payments. I think, if we will put first things first, there is no doubt what we must do moneywise.

The Senator from Missouri is here. He has heard the proof. He is well-versed in that subject.

I shall be glad to yield to the Senator from Missouri for an observation, or a question, or whatever the Senator may wish to say.

Mr. SYMINGTON. I commend, with respect, my able colleague, the Senator from Mississippi, for the timely and thought-provoking statement he is making today on the floor of the U.S. Senate.

We have just passed a tax bill after discussing many matters which had to do with the addition or subtraction of some hundreds of millions of dollars of the taxpayers' money. But as I understand the Senator's statement, and I have previously read comparable figures in the newspapers, the war in Vietnam today is costing this country something above or just below $2 billion a month. Is that correct?

Mr. STENNIS. That is correct. That is a low figure, in my opinion.

Mr. SYMINGTON. As I understand the able Senator also, he states that the United States of America, the richest and most powerful country in the world, has now over 300,000 men in the South Vietnam theater, and is spending some $30 billion annually in mortal combat with a country that has 17 million inhabitants, with a per capita income of around $150 a year. Is that correct?

Mr. STENNIS. The Senator has his facts correct. Those are the correct approximate figures.

Mr. SYMINGTON. I would ask of the chairman of the Military Preparedness Subcommittee: We hear much about the importance of the image of the country with its world neighbors, behind the Iron Curtain and in the free world. What does the Senator believe is the reaction, not only in the countries of Europe, but also in the countries behind the Iron Curtain, to the fact we are spending this vast sum of money to achieve the results we and they know are being achieved?

Does not the Senator from Mississippi believe these developments will not only cause diplomatic questioning of our military strength, but also questioning, if the war continues indefinitely as to whether our or any economy can continue to support this large war with this small country, to achieve these results.

Mr. STENNIS. The Senator from Missouri raises a very valid question. He and I are not referring to public sentiment in other countries—whether a country is for or against us or takes a so-called neutral position. The question is: What do they, in their judgment, think of us as we drain our economy to the extent we are, while dragging out the war and being ineffective, so far as bringing about a termination of the war is concerned. Frankly, I think we are

leaving a bad impression. There certainly will be an adverse effect on our balance of payments, if the war continues for a considerable period, as I think it will. Unless we step up the tempo, the course we are following will lead to the gravest consequences, as the Senator knows.

Mr. SYMINGTON. I thank the Senator for yielding to me.

Mr. President, inasmuch as it refers, to some extent and in broad fashion, to what the Senator from Mississippi has just been speaking about, I ask unanimous consent that at the end of his remarks and any further colloquy there be printed in the RECORD an article "Sterling and Stability: Monetary Officials Ask Whether Pound Can Continue as a Reserve Currency," in the New York Times of today, October 13.

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

(See exhibit 1.)

Mr. STENNIS. Mr. President, I thank the Senator from Missouri for his contribution to the debate and for his opinions, which are of high value and always have weight with his fellow Senators.

Mr. President, as I was saying, we must also face the grave issues of fiscal responsibility. Defense costs are high and inevitably will grow higher. We are all aware of the serious problems our economy faces at this time. A tax increase early next year is a probability, if not a certainty.

I think personally it is a certainty. I said at the beginning of the year that if we did not relegate some of our nondefense spending programs to the rear, and deemphasize and curtail them, we certainly would have a tax increase. I also said then that if we were not going to curtail these other programs, we ought to put the tax increase on at the beginning of calendar year 1966, rather than later.

We must face up to the fiscal facts of life and make the necessary adjustments in nondefense spending, which will be at least $55 billion this fiscal year, which will permit our continued economic support of defense commitments without throwing our national economy completely out of balance. Defense costs must be met. Other expenditures can, at least, be adjusted temporarily to permit sound employment of our national resources. The paramount importance of devoting the necessary resources to winning the war without a complete dislocation of our economy certainly justifies a deferral of segments of the Great Society program.

Only the slow and gradual rate of our involvement and buildup in Vietnam, plus the fact that we have faced a relatively unsophisticated and ineffectual enemy, has given us time and prevented critical shortages from developing. We were fortunate to have had this time but future situations may require a much faster support and buildup. We should be planning and producing now to provide for the future. We must build and maintain the military power which, if additional contingencies should develop, will give us the forces to meet them with such might as may be required. The costs of maintaining such forces, fully trained and equipped, are high, but we must bear these costs even if we have to sacrifice or postpone some of our nondefense expenditures and social programs. We cannot afford to jeopardize our national security and freedom by failing to face up to the clear facts which confront us.

Let me make it clear, Mr. President, that the military demands and requirements for the war in southeast Asia will place substantial additional burdens upon us.

Yesterday the stock market went up. Of course, we are always glad to see it go up. We are told it went up, however, merely on the basis of a statement of an official here in Washington that we are not going to have controls on wages and prices at any time soon.

Let us not be too certain about that. I am not predicting that we will have controls. I do not know enough about it to make a positive statement. But in spite of our enormous capacity, this matter could swiftly swing into a situation where we would have to go to the allocation of materials and the control of production; the control, even, of prices as well as wages.

That is another illustration of why I say we do not fully realize the kind of war we are in, the seriousness of it, and the impossibility of getting out except by a great deal of sacrifice and fighting. We do not realize it because this war has not yet touched enough people.

The additional burdens will include increased manpower, higher costs, additive funding, more procurement, and, almost inevitably, higher taxes. Whatever they may be, they should be made clear to the American people. If and when this is done, I am certain that patriotic Americans will unite behind the war effort with the same resolution, determination, and patriotism which has always been characteristic of all of us.

I do not think one ought to speak on this subject without paying tribute to the fine fighting qualities and the very high morale of our men in South Vietnam. These men have been carrying on some of the toughest, dirtiest, and hardest fighting that American soldiers have ever been called upon to do. The reports I have received indicate, without exception, that the morale there has been very high; that the spirit and determination are great; and that the fighting qualities of those men are superb.

This shows, again, that the American soldier, when trained and properly motivated, is the finest fighting man in the world. I commend them and salute them, and say again that we are going to back them to the limit.

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

Mr. STENNIS. I am happy to yield to the Senator from South Carolina. He is a very valuable member of our Preparedness Subcommittee, and very alert to the problems with which we are confronted.

Mr. THURMOND. Mr. President, I commend the distinguished Senator from Mississippi for the information he has brought to the attention of the Senate. I am sure his statement will be enlightening not only to Senators, but to the American public.

I think the Senator, though not specifically pointing them out, has emphasized two important points.

One is that there has not been sufficient and adequate planning; the manpower needs have not been anticipated; the weapons and equipment needs have not been properly anticipated; there have been shortages; the Reserve has not received proper planning; the Reserve has not been provided with proper weapons and equipment.

In my opinion, the United States must maintain the strongest Military Establishment in the world. We must maintain military superiority. I think the distinguished Senator brought out the fact that we cannot afford to take a chance.

I do not believe that the American people fully comprehend that personnel from the divisions stationed here in the United States, to defend the United States, have been taken away from those divisions because they were needed to fight the war in Vietnam. I do not believe that the people of this country fully realize that weapons and equipment have been taken away from units in this country, to be sent to Vietnam because they were needed there.

In my opinion, we are jeopardizing our own Nation when we do not provide sufficient manpower and equipment to maintain the necessary defenses in this country, as well as to fight the war in Vietnam.

The other important point which the Senator touched on is that we ought to win the war faster. We have not gone all out to win the war as yet.

I wonder whether we will go all out to win. It begins to looks as if we are going to have another Korea, and if we do have another Korea, I predict one of two things. We will either have to keep thousands of troops in Vietnam as we are now doing in Korea at a cost of billions of dollars or withdraw our troops and let the Communists take over.

Mr. President, in my opinion, it is vital, essential, and necessary that we have a military victory in Vietnam, that we win the war over there.

I believe that is the only way in which we will avoid another war in the future.

The next war may be closer to home and may jeopardize our own people to a great extent.

Our men in Vietnam are entitled to a better deal. They are entitled to know that the American people are back of them in their effort to win the war. I think we ought to win it so that those men can come home.

I do not think that it is right to send more men there now. We now have approximately 325,000 to 350,000 men. At the end of this year there will be 400,000. Next year it might be 500,000.

As the distinguished Senator has said, someone has mentioned today that the number of men there might increase to 600,000 or 700,000.

Mr. President, we have airpower and seapower over there. We could be

striking vital targets in Vietnam. We have not been striking the really vital targets there with our air and sea power.

The steel mill has not been destroyed. The sources of power in North Vietnam have not been destroyed. The sources of fuel supply have not been destroyed. The other strategic places there should be destroyed.

The port of Haiphong is still open. Enemy supplies are coming through that port. That port could be mined, bombed, and embargoed. Instead of following such action, ships arrive there daily carrying wares, goods, and equipment for the enemy.

How much longer will this continue? How much longer will American ships stand by while ships of other countries arrive there with supplies and weapons for the enemy, material that will be used to fight and kill American men?

There are two ways in which we can fight the war. We can continue to fight it for 2, 3, 4, or even 5 more years. Every boy in high school and college today could end up in Vietnam. We could have a stalemate there if we continue to fight on the ground and fight on the enemy's terms, fighting in the rice paddies instead of using our full power to win the war and wind it up.

The other way in which we could fight the war is to put our full power there. We have the power to win the war. We can win the war and wind it up in 90 days if we want to.

It does not make any sense to continue to fight on the ground when we have the power to enable our men to end the war.

We are practically fighting with one arm behind our back. We are not going into North Vietnam. We are just fighting a defending action in South Vietnam.

The war must be taken to the enemy. The enemy must feel our strength, and until they do feel it, they will not give up. They will not go to the peace table. They will not stop the war. The enemy has got to feel the effects of this war. When the time comes that the enemy feels the effects of this war, they will be glad to come to the peace table.

This thing of the powerful United States groveling on the ground and begging somebody to come to the peace table is disgraceful. We know that they will not come to the peace table. They will only come to the peace table when they are ready to come. They will come only when they see that we will use our full power. We are not using our power.

How much longer is public sentiment in this country going to permit the war to continue in its present course?

I hope the American people will rise up and demand that America use its power and win the war so that we can bring those American boys home.

I compliment the distinguished Senator from Mississippi.

Mr. STENNIS. Mr. President, I thank the Senator very much for his remarks and gracious and generous words.

Mr. President, I yield the floor.

Mr. MANSFIELD. Mr. President, I hope that the President continues on his present course to seek an honorable way to the negotiating table to the end that an honorable peace can be achieved in Vietnam and in southeast Asia and, I hope, throughout the entire world. I, too, want to see the American boys brought home.

I fully support what the President is doing when he states that we have no intention of maintaining any kind of foothold in Vietnam or southeast Asia, and that if this matter can be settled on an honorable basis, we will be prepared to give up those bases and will be more than happy to bring the men home.

EXHIBIT 1

[From the New York Times, Oct. 13, 1966]

STERLING AND STABILITY—MONETARY OFFICIALS ASK WHETHER POUND CAN CONTINUE AS A RESERVE CURRENCY

(By Clyde H. Farnsworth)

LONDON, October 12.—As discussion about world monetary reform grinds on, a related problem has emerged with nearly as many ramifications: What is to be done about the sterling balances?

It is part of the question of Britain's economic role whether in her strained circumstances she can continue to operate a reserve currency for much of the rest of the world.

Like the search for a new reserve unit to help finance world trade, the problem of the sterling balances is not pressing for solution in the immediate future.

But there are certain forces at work that could make it increasingly important in the future.

CUT IN FOREIGN HOLDINGS

There is, for example, the desire of several of the sterling area countries to reduce the sterling content of their reserves as the privileges of sterling area membership—trade concessions and capital from Britain—appear to decline.

There is, in addition, the whole question of British membership in the European Economic Community, or Common Market, and the crucial issue of the sterling exchange rate if Britain joins.

Earlier this week in an interview with The New York Times a top Swedish banking official implied that devaluation might well be one of the sacrifices Britain would have to make for membership.

Edvard Brandstroem, head of the international department of one of Sweden's biggest banks, the Svenska Handelsbanken, was reflecting the opinion of many Continental bankers.

FORMAL APPLICATION IN 1967

Britain is not expected to apply formally for membership until after she gets the surplus, due next year, in her balance of payments.

Will her industry be ready to meet Continental competition? Many Continental bankers think not, unless there is a reduction in comparative costs through a cut in the value of the pound.

The implications for the sterling balances are grave. Those who stand to lose the most are those with the biggest balances in London—that is the members of the sterling area.

For the most part, they kept their balances intact during the sterling troubles of the last two years. With the tough measures taken by the Labor Government here, there is no question any longer of a forced devaluation.

The key question then is what Britain will do if she has to sacrifice the interests of the sterling area for Common Market membership. Will she consider this too high a price to pay?

It is here where a plan to fund the sterling balances, mooted over the last couple of years, could come into play.

Under the plan, first suggested by the Italians though some believe it was really a British trial ballon, Britain would get a long-term low-interest rate loan from other industrial countries. She could use the funds to pay off her sterling area liabilities.

The plan is still in the talking stage. A sign that the idea is alive came last June when central bankers agreed to provide aid for the sterling linked directly to the size of any future reductions in the sterling balances.

6.28-BILLION POUND TOTAL

Foreign governments, including those in the sterling area and international organizations such as the International Monetary Fund, had at the end of June £6,284,000,000 in sterling balances in London. The pound is about equal to $2.80.

For the most part, the money is invested in Treasury bills and British Government bonds, or is simply left on deposit with British banks. It now draws a handsome return—between 6 and 7 per cent.

The sterling liabilities are supported thinly by the British gold and dollar reserves, which at the end of September totaled £1,129,000,000. Most of the reserves represent money borrowed over the last two years that is supposed to be repaid by 1970.

The figures show the vulnerability of the sterling financial structure. There has been no run on the deposits principally because of the realization that this would force devaluation. It would be the depositors themselves who would be the hardest hit.

EARLY LEAD IN TRADE

The structure grew out of Britain's early lead in international trade. Several countries tended not only to use sterling in their international transactions, but to bank part of their currency reserves in London.

That was the origin of the Sterling area payments club, whose members account for one-quarter of the world's population and a similar proportion of world trade.

They are: Burma, Iceland, the Irish Republic, Jordan, Kuwait, Libya, South Africa, South-West Africa, the British protected states of the Persian Gulf, Western Samoa and all the members of the Commonwealth except Canada.

Of the £6,284,000,000 in Sterling balances, these countries hold £3,289,000,000, or a little more than half.

The nonsterling-area countries hold £1,351,000,000 in London and international organizations, £1,644,000,000.

Of the sterling area countries, Kuwait is reported as the only one to have converted sizable funds out of London.

But others have been examining the situation, and there is the feeling in some quarters that as the pound strengthens, Britain will have to supply a steady flow of foreign currency for the conversion of other balances.

Australia, for one, has been debating the wisdom of holding 60 per cent of its £560-million in currency reserves in sterling. Malaysia has indicated that it, too, would like to "diversify" its reserves.

The sterling balances are not subject to any guarantees that Britain would make up any losses resulting from devaluation.

But there have been reports, denied by the Bank of England, that at least one nonsterling area country was able to exact such a guarantee on a special official balance here.

If the reports were true, they would mean almost certain pressure from other official sterling holders for similar guarantees and the Bank of England would be hard pressed to oblige.

There have been some suggestions that Britain should give a choice to depositors—a gold guarantee and nominal interest on deposits, or no guarantee and the high prevailing rates. This could lead to hefty savings on the interest payments that add to the deficit in the balance of payments.

The Bank of England says that only the central bank assistance received for the defense of the pound is guaranteed against exchange losses.

MODEL SECONDARY SCHOOL FOR THE DEAF TO SERVE THE NATIONAL CAPITAL REGION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 1682, H.R. 17190.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 17190) to authorize the establishment and operation by Gallaudet College of a model secondary school for the deaf to serve the National Capital region.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1713), explaining the purposes of the bill.

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

SUMMARY OF THE BILL

The bill authorizes the establishment and operation, including construction and equipment, of a model secondary school for the deaf to serve the District of Columbia and nearby States, and to serve as a model program to stimulate the development of similarly excellent programs for the education of the deaf throughout the Nation.

It provides that the Secretary of Health, Education, and Welfare, after consultation with the National Advisory Committee on Education of the Deaf, is authorized to enter into an agreement with Gallaudet College for the establishment and operation of the school. The bill also describes the conditions of the agreement between the Secretary and Gallaudet College, including provisions that the National Advisory Committee on Education of the Deaf advise the college in formulating and carrying out basic policies governing the establishment and operation of the model school. The college will make an annual report to the Secretary, and the Secretary will submit the annual report of the college to the Congress with such comments and recommendations as he may deem appropriate.

COMMITTEE AMENDMENT

The committee amended the bill to provide that the agreement entered into between the Secretary of Health, Education, and Welfare and Gallaudet College provide that in the design and construction of any facilities for the use of the model high school for the deaf, maximum attention should be given to innovative auditory and visual devices and installations appropriate for the educational function of such facilities.

NEED FOR A MODEL HIGH SCHOOL FOR THE DEAF

Dr. Leonard M. Elstad, president of Gallaudet College, in testifying before the committee in favor of S. 3758, made the following statement:

"Mr. Chairman, Gallaudet College has for many years pointed out that there is no adequate secondary education for deaf students in this country—if by adequate we mean at least comparable to the secondary education that has been provided as a matter of course to all students in the general population. It will not be possible to provide a good secondary education until enough deaf students of high school age are brought together in one place and so guarantee a sufficiently broad curriculum. The lack of such education, we maintain, has kept the percentage of deaf students going on to college far below the percentage in the rest of the population. If Gallaudet College had not for many years offered its college preparatory studies, it is doubtful that there would have been any significant numbers of deaf students in college at all."

The Advisory Committee on the Education of the Deaf, in a report submitted to the Secretary of Health, Education, and Welfare on February 11, 1965, entitled "Education of the Deaf" stated:

"The average graduate of a public residential school for the deaf—the closest we have to generally available high schools for the deaf—has an eighth grade education."

The report continued:

"* * * any deaf child with the desire and requisite ability should have the opportunity to complete a true high school program."

The committee received testimony in support of S. 3758 from the Department of Health, Education, and Welfare, Gallaudet College, the Council on Exceptional Children, the National Association of the Deaf, the Alexander Graham Bell Association, the American Instructors of the Deaf, and the Conference of Executives of American Schools for the Deaf.

THE MODEL SECONDARY SCHOOL

Gallaudet College provides an excellent location for the establishment of such a school. The college has the space on its campus for the development of a building which would house a day and residential high school serving 500 to 1,000 students. In planning for the size of the school, the recommendation of educators that a minimum of approximately 500 children is necessary for the development of a first-rate curriculum has been taken into account.

The program of the college and its related preschool program and elementary school program (Kendall School) will make the setting the only facility in the world with a complete educational offering for the deaf child from preschool through graduate school.

Gallaudet College has already developed, or is developing, an academic curriculum appropriate for deaf students in a senior high school, including among other subjects, mathematics, English, laboratory sciences, and foreign languages. The committee expects the new high school to employ all methods of instruction which have been successful and to actively develop new instructional procedures, including audiovisual aids, computer-assisted instruction, etc., so that the high school will indeed be a model high school for the deaf. This does not mean that the committee expects the new high school to be regarded primarily as an experimental school. To the contrary, the committee expects the emphasis to be first on excellence of education so that the deaf students will be fully qualified to enter college or the new National Technical Institute for the Deaf.

The bill provides that the Secretary, after consultation with the National Advisory Committee on Education of the Deaf, is authorized to enter into agreement with Gallaudet College for the establishment and operation, including construction and equipment, of a model secondary school for the deaf to serve primarily residents of the District of Columbia and of nearby States.

The National Advisory Committee on Education of the Deaf is given the responsibility by this legislation of advising the Secretary of Health, Education, and Welfare and Gallaudet College concerning only the basic policies governing the operation and establishment of the model secondary school for the deaf. It is not expected that the Advisory Committee will have any continuing responsibility for advising Gallaudet College or the Secretary of Health, Education, and Welfare on the day-to-day operation of the model secondary school for the deaf.

The committee would expect that the officials of Gallaudet College will consult with qualified professional educators of the deaf, persons in special education, educators of hearing persons, program specialists, and audiovisual experts so that they may have available the best thinking, experience, and expertise in developing and operating the model school for the deaf.

ADMISSION POLICY

The specific policies of the school, including admission policies, will be determined by the Secretary of Health, Education, and Welfare, in consultation with the National Advisory Committee on Education of the Deaf, and Gallaudet College. It is proposed to serve primarily students in the National Capital area, but in order to enroll a sufficient number of students for full curriculum offerings, and to provide the possibility of high school education to children in other States where no programs are available, some system for permitting a limited number of children from such States is anticipated.

As this school proves its effectiveness, it is anticipated that it will stimulate the development of similar schools in other regions of the Nation.

COSTS

The committee was informed that an appropriation for fiscal 1967 of $100,000 would be adequate for planning purposes and that appropriations of between $13 and $15 million would be needed for the construction of classrooms, dormitories, and other facilities over a 4- or 5-year period. Operating costs would start at approximately $800,000 for a 200-pupil school with costs increasing as facilities become available for additional students.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that S. 3758, Calendar No. 1681, be indefinitely postponed.

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

FACILITIES FOR TEACHING OF VETERINARY MEDICINE AND A PROGRAM FOR LOANS FOR STUDENTS OF VETERINARY MEDICINE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 1683, H.R. 3348.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 3348) to authorize a program for the construction of facilities for the teaching of veterinary medicine and a program of loans for students of veterinary medicine.

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 Labor and Public Welfare, with amendments, on page 2, to insert:

(2) Section 720 of such Act is further amended by inserting immediately after the

first sentence thereof the following new paragraph:

"In addition to the sums authorized to be appropriated by the preceding sentence, there are authorized to be appropriated $17,000,000 for each fiscal year, commencing with the fiscal year ending June 30, 1967, and ending with the fiscal year ending June 30, 1969, which sums shall be available for carrying out clauses (1) and (3) of the preceding sentence solely with respect to veterinarians."

And, at the top of page 4, to insert:

(e) Section 742(a) of the Public Health Service Act is amended by inserting immediately after the first sentence thereof the following new sentence: "In addition to the sums authorized to be appropriated by the preceding sentence, there are authorized to be appropriated $500,000 for the fiscal year ending June 30, 1967, $1,000,000 for the fiscal year ending June 30, 1968, and $1,500,000 for the fiscal year ending June 30, 1969, which sums shall be available for carrying out this part (other than section 744) solely with respect to students of veterinary medicine."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1714) explaining the purposes of the bill.

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

SUMMARY

The bill would amend the Health Professions Educational Assistance Act to provide assistance in the construction of teaching facilities at schools of veterinary medicine and loans for students at these schools on the same basis as is presently provided for students of medicine, dentistry, osteopathy, optometry, pharmacy, and podiatry.

THE NEED

There are 18 colleges of veterinary medicine in 17 States which provide veterinarians to serve all 50 States. Last year, at least four qualified applicants were turned away for each one accepted by these colleges because of a shortage of facilities; yet today we are suffering from an acute shortage of veterinary personnel. The American Veterinary Medical Association estimates that there are approximately 24,000 veterinarians in the United States. To maintain the present ratio, it is conservatively estimated that we will need 31,000 veterinarians by 1980.

Veterinarians play an important part in the Armed Forces, in the Federal and State Departments of Agriculture, in the Public Health Service and Food and Drug Administration of the Department of Health, Education, and Welfare, and in State and local health departments. They direct meat and poultry inspection programs for Federal, State, and local governments. Veterinarians are also engaged in the production and evaluation of drugs and pharmaceuticals. Veterinarians are urgently needed to maintain the health of laboratory animals so as to make more useful research conducted using these animals. Many medical schools and research institutions employ veterinarians as full-time staff members for teaching and research.

Over two-thirds of all veterinarians in the United States engage in private practice. They safeguard the health of all domestic animals, and birds, prevent the spreading of animal diseases to man, and provide him with a wholesome food supply. Approximately 8,500 veterinarians care for the Nation's farm animals; this is necessary to meet the demand of protein food which is on the increase and will continue to increase in order to meet the needs of a rapidly increasing population. The veterinary practitioner is part of the program to eradicate major livestock diseases, many of which, such as tuberculosis and brucellosis, are communicable to man. He also protects man against diseases transmissible from animals, such as rabies, leptospirosis, bacterial diarrhea, anthrax, salmonellosis, and psittacosis.

About one-third of the veterinarians in the United States are in public service teaching, conducting research, or engaged in disease control and preventive medicine. Based on prior and projected requirements it has been estimated that, by 1980, 13,000 veterinarians will be needed in public service.

Too often the role of the veterinarian is considered exclusively in terms of caring for our animal pets or in association with our fine agricultural colleges. Yet the accomplishments of veterinary medical scientists in solving problems of human disease illustrates the distinguished role of this one factor in the total health team.

Historically, the discoveries of the veterinary medical scientist are indeed noteworthy:

Dr. Karl F. Meyer's work on botulism virtually eliminated this highly fatal foodborne disease.

Dr. Franz Benesch, who while working with horses and cattle perfected the spinal anesthesia.

Dr. Frank Schofield, who discovered dicumarol, the anticoagulant widely used in treating heart disease.

Dr. Fred Kilborne, who observed that insects could transmit disease between animals and men and laid the ground work for Reed's conquest of yellow fever.

Benefits have accrued from the virtual eradication of bovine tuberculosis and the debilitating effects of hookworm and the use of cowpox virus to immunize against smallpox. All of these and others illustrate well the need to insure future contributions.

The veterinarian has been particularly helpful in the control of those diseases of animals which are transmissible to man. These include tuberculosis, rabies, anthrax, tularemia, psittacosis, and others. He along with other disciplines, has contributed to progress in the control of communicable diseases.

EXPLANATION

The bill would provide assistance in the construction and renovation of schools of veterinary medicine by making these schools eligible for matching grants to pay up to two-thirds of the cost of new teaching facilities, and up to one-half the cost of projects for renovation of teaching facilities, at schools of veterinary medicine.

The reported bill authorizes establishment of student loan funds at schools of veterinary medicine. Loans may not exceed $2,500 for any academic year, and are repayable over the 10-year period which begins 3 years after the student ceases to pursue a full-time course of study.

AUTHORIZATION FOR APPROPRIATION

H.R. 3348 as passed by the House of Representatives did not provide for any increase in the authorization for appropriations under the Health Professions Educational Assistance Act, but provided for colleges of veterinary medicine to compete for construction funds and student loans with medical schools, dental schools, osteopathy schools, podiatry schools, pharmacy schools, and optometry schools. The Committee realizes that great shortages of these health personnel exist at present and will continue to exist in the forseeable future. For this reason, the appropriation authorizations for colleges of veterinary medicine are separately identified.

The additional authorization for appropriations is as follows:

Item	1967	1968	1969
Construction grants	$17,000,000	$17,000,000	$17,000,000
Student loans	500,000	1,000,000	1,500,000
Total	17,500,000	18,000,000	18,500,000

Hearings on H.R. 3348 were conducted by the Subcommittee on Health of the Committee on Labor and Public Welfare on October 6, 1966. Testimony or statements favorable to the legislation were presented by the American Veterinary Medical Association, the American Public Health Association, the American Medical Association, and the National Association of State Universities and Land-Grant Colleges, and by representatives of the Department of Health, Education, and Welfare.

INTERNATIONAL EDUCATION ACT OF 1966

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 1684, H.R. 14643. I do this so that it will be made the pending business.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. An act (H.R. 14643) to provide for the strengthening of American educational resources for international studies and research.

There being no objection, the Senate proceeded to consider the bill.

VISIT TO THE SENATE BY MEMBERS OF THE JOINT COMMITTEE ON FOREIGN AFFAIRS OF THE SWEDISH PARLIAMENT

Mr. CARLSON. Mr. President, we are highly honored at this time to have present in the Chamber members of the Swedish Parliament and also the Ambassador from that great country.

I extend a hearty welcome to them.

I mentioned earlier this morning that my father and mother were born in Sweden, and I therefore feel very much at home when we begin to talk about names such as Lundstrom, Johansson—which was the name of my mother before marriage—Holmberg, Eriksson, and Pettersson, and others.

Mr. President, I ask unanimous consent that the names of the members of the Joint Committee on Foreign Affairs in the Swedish Parliament be printed at this point in the RECORD.

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

MEMBERS OF THE JOINT COMMITTEE ON FOREIGN AFFAIRS IN THE SWEDISH PARLIAMENT, VISITING WASHINGTON ON OCTOBER 13, 1966

Mr. Birger Lundstrom, Chairman of the Committee, member of First Chamber, Liberal party.

Mr. Ivar Johansson, Deputy Speaker of the First Chamber, Center party.

Mr. Yngve Holmberg, First Chamber, Leader of the Conservative party.

Mrs. Nancy Eriksson, Second Chamber, Social democratic party.

Mr. George Pettersson, First Chamber, Social democratic party.

Mr. Gösta Skoglund, Second Chamber, Social democratic party (former Minister of Communications).

Mr. Henry Allard, Second Chamber, Social democratic party.

Mr. Birger Andersson, First Chamber, Social democratic party.

Mrs. Lena Renstrom-Ingenas, Second Chamber, Social democratic party.

Mr. Sven Mellqvist, Second Chamber, Social democratic party.

Mr. Stig Alemyr, Second Chamber, Social democratic party.

Mr. Olle Dahlén, First Chamber, Liberal party.

Mr. Sture Palm, First Chamber, Social democratic party.

The Committee members were accompanied by Swedish Ambassador Hubert de Besche.

The following Swedish Foreign Service officers also accompanied the members.

Mr. Sven Fredrik Hedin, Director, Ministry for Foreign Affairs.

Mr. Sven Frychius, Press Counselor.

Mr. Lennart Eckerberg, First Secretary, Swedish Embassy.

Mr. Torsten Orn, First Secretary, Swedish Delegation to the U.N.

Mr. CARLSON. Mr. President, our distinguished visitors are here with the chairman of their Committee on Foreign Affairs, Mr. Birger Lundstrom.

I ask all of these folks to stand so that we may give them a very hearty welcome.

(The distinguished visitors rose in their places and were greeted with applause, Senators rising.)

Mr. CARLSON. We are delighted that you are here.

Mr. MANSFIELD. Mr. President, I join the Senator in his remarks. It looks as if it is Swedish Day in the U.S. Senate.

I am delighted that so many of our colleagues from Sweden have seen fit to visit us. They do us honor with their presence. We are pretty much aware of the many accomplishments they have made in their country. In part, we have taken advantage of what they have started and applied some of their innovations to our own people.

We are glad to have you here. You are very welcome. We hope that this is only the first of many visits to come.

Mr. CARLSON. Mr. President, I thank the majority leader, the Senator from Montana [Mr. MANSFIELD], for his kind words of welcome.

I think I should mention to the Members of Parliament that had they been here about 30 or 40 minutes earlier, they would have seen this Chamber full of Senators. We had some very important pending legislation that was pressing. You would have seen the Senate in real action. I hope that you are not disappointed by seeing so many empty chairs.

I should say, further, that when the previous Swedish group was in the Chamber this morning, I suggested that I might make the words of welcome in Swedish, which I did, and those remarks will appear in the CONGRESSIONAL RECORD, after I straighten out the Official Reporters as to how to write the Swedish language. [Laughter.]

Again, you are welcome.

Mr. President, I ask unanimous consent that we may have a recess for 3 minutes in order that the Members of the Senate may shake hands with the visitors.

The PRESIDING OFFICER. Is there objection?

There was no objection, and (at 1 o'clock and 1 minute p.m.) the Senate took a recess until 1 o'clock and 4 minutes p.m.

On the expiration of the recess, the Senate reassembled, and was called to order by the Presiding Officer (Mr. MANSFIELD in the chair).

VIETNAM

Mr. PROXMIRE. Mr. President, a few minutes ago the majority leader very concisely stated his position on Vietnam, and I should like to echo his affirmation of support of the President's effort to achieve peace in Vietnam and to seek a negotiated settlement in Vietnam, recognizing that we need a political settlement.

I should like to add my own view, that this does not mean unconditional surrender by North Vietnam; it does not mean an invasion of North Vietnam. It does mean that we should strive just as hard diplomatically to achieve peace by negotiations in South Vietnam as we are striving militarily.

SUSPENSION OF INVESTMENT CREDIT RECKLESS AND IRRESPONSIBLE

Mr. PROXMIRE. Mr. President, yesterday, Mr. Arthur Okum, one of the Nation's outstanding economists and a present member of the President's Council of Economic Advisers, spoke on the tax policy this Nation should adopt in view of the present uncertain economic outlook. I ask Senators to pay particular attention to Mr. Okum's words, because they should have a very real effect on our decision in voting tomorrow to suspend the investment credit and accelerated depreciation.

These were Mr. Okum's words of yesterday:

> It would be reckless and irresponsible for the Government to decide whether we are going to have our foot on the brakes or the gas when we come to the next traffic light, until we can see whether that light is red or green. At the moment there are a number of bends in the road before that traffic light will become visible.

Mr. President, the Secretary of the Treasury has testified—and no one can gainsay him or has even tried to do so—that suspension of the investment credit will slam the Government's foot on the brake—not now, when we can see a little ahead, but a year or more from now, when, as Dr. Okum says, there are a number of bends ahead of us and we cannot tell whether the light is going to be red or green when we come to it.

Mr. Okum contended yesterday that the pace of economic advance has clearly moderated since spring and that this relative slowdown has brought demand into balance with growth of capacity.

Mr. President, in view of the fact that the purpose of suspending the investment credit is to rectify an inflationary situation by hoping to bring demand down to the level of supply, it seems to me that this position taken by one of the most competent economists of the Nation, a member of the President's Council of Economic Advisers, is most significant.

Mr. President, last week for the first time in the 5½ years of bombing growth, a majority of economic indicators that accurately foretell the future economic situation pointed downward. Ten days ago it was revealed that three-fourths of the Nation's business economists expect a recession by 1970, and half of those expect it to begin late next year.

So, how in the world can we justify suspending the investment credit and accelerated depreciation—which can only have a significant effect on the economy beginning in the second half of next year? And then that suspension may have a serious and profound deflationary effect. Just consider, Mr. President, what position in which the estimate of Mr. Okum puts Senators. Last March, 78 Members of this body voted against—voted no—on suspending the investment credit.

Mr. President, if suspension made little economic sense at that time, Mr. Okum's words should convince us it makes far less economic sense now. In the words of this man, selected as one of three economists in the Nation to advise the President, "The pace of economic advance has clearly moderated."

As another outstanding economist, Mr. Rinfret, said the other day, if it was a blunder not to suspend the investment credit last January, it would be a worse blunder to suspend it today. Remember both Okum and Rinfret were making their estimates of next year's likely economic situation based on assumptions that we would have a substantial escalation in our spending in Vietnam.

But, Mr. President, I conclude by pointing out that regardless of which way the economy goes, because there is a distinct lag in the impact of the investment credit and because we can not clearly predict the economic situation next year, when the investment credit will have its effect, in the words of Arthur Okum, "It would be reckless and irresponsible for the Government to decide whether we are going to have our foot on the brakes or the gas when we come to the next traffic light, until we can see whether the light is red or green."

This is why a vote for the suspension of the investment credit will be reckless and irresponsible.

THE LEGAL SERVICES PROGRAM OF OEO

Mr. WILLIAMS of New Jersey. Mr. President, this September marked the first year of full scale operations of the legal services program of the Office of Economic Opportunity. More than 160 programs have been funded to provide needed legal services to the underprivileged in both urban and rural com-

munities. These services are having a significant impact in slum areas.

Many residents of our slums have grown up thinking of the law as an instrument to be used against them under the protection of the law.

Lawyers serving the underprivileged offer them new hope. When a poor person realizes that the law can be used for his benefit, he may develop an entirely new outlook toward life and new self-confidence. He will have faith in our system of equal justice; something which most of us take for granted, but which is often not a fact of life for the citizen of the slums.

At the recent annual meeting of the American Bar Association in Montreal, seven programs on the agenda dealt with the problem of the poverty and the law. The association is working closely with the Office of Economic Opportunity to develop soundly structured and effective legal services programs to the poor.

Reports given to the ABA from around the Nation indicate that the programs now in operation are working well, and that countless numbers of lawyers are involving themselves in the work of advising indigents as to their legal rights. I am very proud of the bar of my own State of New Jersey for providing leadership in bring free legal service to the underprivileged in cooperation with the OEO.

The OEO Legal Services Department prepared an up-to-date report of its activity for lawyers attending the ABA annual meeting. This report is an excellent summary of the status of the program nationwide and I commend it to every Member of Congress. I ask unanimous consent that the report be inserted in the RECORD at this point.

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

REPORT OF THE LEGAL SERVICES PROGRAM, OFFICE OF ECONOMIC OPPORTUNITY, TO THE AMERICAN BAR ASSOCIATION, MONTREAL, CANADA, AUGUST 8–11, 1966

NATIONAL ADVISORY COMMITTEE TO THE LEGAL SERVICES PROGRAM, OFFICE OF ECONOMIC OPPORTUNITY

Ex officio

E. Clinton Bamberger, Jr., Director, Legal Services Program.

Earl Johnson, Jr., Deputy Director, Legal Services Program.

Donald M. Baker, General Counsel, Office of Economic Opportunity.

Gary Bellow, Deputy Executive Director, United Planning Organization.

Jean Camper Cahn, Private Attorney, Washington, D.C.

Edward Q. Carr, Director, New York Legal Aid Society.

John W. Cummiskey, Chairman, American Bar Association's Standing Committee on Legal Aid.

Professor Harold Horowitz, U.C.L.A. Law School.

Hon. Nicholas deB. Katzenbach, Attorney General of the United States.

Edward W. Kuhn, President, American Bar Association.

Orison S. Marden, President-elect, American Bar Association.

F. William McCalpin, Chairman, American Bar Association's Special Committee on the Availability of Legal Services.

Professor Soia Mentschikoff, University of Chicago School of Law.

W. Robert Ming, Jr., Private Attorney, Chicago, Illinois.

Pauli Murray, New York City, New York.

Hon. Philip M. Newman, Judge of Municipal Court, Los Angeles Judicial District.

Revius O. Ortique, Jr., President, National Bar Association.

Lewis F. Powell, Jr., Past President, American Bar Association.

Jerome J. Shestack, Private Attorney, Philadelphia, Pennsylvania.

Theodore Voorhees, President, National Legal Aid and Defender Association.

Elizabeth Wickenden, National Social Welfare Assembly, Inc.

Alanson Willcox, General Counsel, U.S. Department of Health, Education, and Welfare.

Martin R. Wolf, Coordinator, Alameda County Bar Association.

INTRODUCTION

A year ago this month, Sargent Shriver, Director of the Office of Economic Opportunity, addressed the Annual Convention of the American Bar Association in Miami. He said:

"There is a growing awareness across the country that the poor have, in fact, been deprived of their rights under the law. With this awareness, there is a new appreciation of the contributions the law and lawyers can make to get poor people out of poverty."

In September, 1965, E. Clinton Bamberger, Jr., was appointed as first Director of the Legal Services Program. During the 11 months following the inception of the program:

A total of over 27 million dollars in grants were made.

Over 160 programs were funded.

43 of the 50 states have programs.

All 12 of the nation's largest cities and 37 of the 50 largest cities received OEO Legal Services grants. Of the remaining 13, 9 cities have applications pending.

Over 500 new law offices serving the poor were funded.

Over 1,000 full-time attorneys and countless volunteer attorneys enlisted in the War on Poverty.

This is the report of the first year of the Legal Services Program of the Office of Economic Opportunity. But, in an important sense, it is more than that. It is a report on the legal profession's continuing effort to achieve its principal goal: equal justice for all.

THE ORGANIZED BAR AND LEGAL SERVICES TO THE POOR

Equal justice for the poor has long been the ideal of the legal profession. In 1920, the American Bar Association translated its concern for the indigent into a formal national commitment by establishing a Committee on Legal Aid Work. In that year, Reginald Heber Smith, author of *Justice and the Poor*, addressed the annual meeting of the American Bar Association. He stated:

"Let us assume . . . leadership by declaring here and now that henceforth within the field of law, the mighty power of the organized American Bar stands pledged to champion the rights of the poor, the weak, and the defenseless."

Since that time, the ABA and its Standing Committee on Legal Aid Work and Indigent Defendants, first chaired by Charles Evans Hughes, have been in the forefront of efforts to establish programs offering legal assistance to the poor.

In 1940, the House of Delegates passed resolutions in support of legal services: It was resolved that:

a) state and local bar associations should cooperate with legal aid societies and see that they are formed;

b) the association encourage state and local bars to support *in forma pauperis* legislation;

c) the committee conducts special surveys and propose remedial legislation to protect the poor against special abuses such as loan sharks, installment sellers, and assignees of future wages;

d) law schools be encouraged to teach the principles and methods of legal aid;

e) the support of the Junior Bar should be enlisted;

f) the members of the House of Delegates should exert personal influence in their own localities to see that legal aid offices are established and supported.

In 1945, the American Bar Association created the office of Executive Director of the Legal Aid Committee to aid local communities in establishing and strengthening legal aid units.

In 1950, the American Bar Association declared that strengthening legal aid and lawyer referral services were among the long-range goals of the association.

In 1951, the first comprehensive study and evaluation of legal aid was completed by the late Emery A. Brownell under the American Bar Association-sponsored Survey of the Legal Profession.

As the result of the continuous studies of legal aid, the House of Delegates in 1960 passed a series of resolutions establishing minimum organizational requirements for legal aid societies.

In spite of the efforts of the American Bar Association and its sister organization, the National Legal Aid and Defender Association, legal aid units across the country continued to be severely underfinanced and understaffed. In 1965, legal aid societies spent only 4.3 million dollars for civil legal assistance, with an additional 5 million dollars for defender services. Of the 32 million poor persons in this country, only 600,000 received assistance in both criminal and civil cases.

In February, 1965, the House of Delegates formally recognized that the needs of the poor could not be fully met with the limited resources of privately financed legal assistance. Their pledge, "to cooperate with the Office of Economic Opportunity and other appropriate groups in the development of services to indigents and persons of low income," continues the American Bar Association's long standing support of legal assistance to the poor.

THE ECONOMIC OPPORTUNITY ACT AND THE LEGAL SERVICES PROGRAM

Congress declared in enacting the Economic Opportunity Act of 1964, "The United States can achieve its full economic and social potential as a nation only if every individual has the opportunity to contribute to the full extent of his capabilities and to participate in the workings of our society." Lawyers are of singular importance in aiding this effort. Neither equal opportunity nor equal justice can be achieved for this nation's poor—some 32 million persons living in families with annual incomes of under $3000—unless they are represented by counselors and advocates.

Title II–A of the Economic Opportunity Act authorizes the formation of locally sponsored community action agencies to mobilize all resources within the locality to combat poverty. The expansion of the kinds of programs authorized under Title II–A was sanctioned by the Senate Committee on Labor and Public Welfare in a report which stated, "The listing of activities in Section 205(a), of course, is not intended to exclude other types of activities related to the purpose of the community action programs, such as legal services to the poor . . ." (Sen. Rept. No. 599, 89th Congress, 1st Sess. 9., 1965).

The Legal Services Program was developed as part of this comprehensive attack on the cycle of poverty. National leaders of the organized bar and government officials began formulating plans for such a program in the early months of 1965. There followed, in June, a National Conference on Law and

Poverty which demonstrated the urgent need for expanded legal services for the poor. National publicity was given to the emerging program at the Annual Meeting of the American Bar Association in Miami held in August. By September, the Legal Services Program within the Office of Economic Opportunity was formally established with the apopintment of E. Clinton Bamberger, Jr. as its first Director.

The dialogue between government officials and the organized bar continues as it did during the formative days of the program. The support of the ABA and of the local and state bar associations will go far to ensure the success of these programs.

THE GUIDELINES

There is no standard legal services program prescribed by OEO. There are Guidelines to assist applicants in the formulation of proposals. These Guidelines, established in the fall of 1965, are not the product of OEO officials alone. Sharing in their formulation was the National Advisory Committee to the Legal Services Program. This Committee is composed of outstanding members of the Bar, including the immediate past President, President, and President-elect of the American Bar Association, the Chairman of the ABA Standing Committee on Legal Aid and Indigent Defendants, and the President of the National Legal Aid and Defender Association.

In many areas, existing legal aid societies or components of local bar associations have taken the lead in formulating programs. Generally, these programs are operated by the legal services organization as a "delegate agency" of a community action agency.

Applications must be submitted by interested groups in local communities. To aid these groups, OEO has prepared "Guidelines for Legal Services Programs" and a pamphlet entitled "How to Apply for a Legal Services Program." In addition, OEO will provide, upon request, consultants to local groups in the preparation and processing of applications for legal services programs.

Once an application is filed with OEO, it is reviewed by the Legal Services Officer of the appropriate OEO Regional Office and receives a concurrent review by the legal services staff at the national headquarters in Washington, D.C. While there is no model program or rigid formula to be followed for the establishment of a legal services program, there are certain guidelines within which all OEO-funded programs must operate.

First, all legal services programs must be under the direction of a governing board separate from the board of the community action agency, thus insuring independence of action on the part of the legal services program. Representatives of the groups and areas to be served must be included on this board to meet the statutory mandate of "maximum feasible participation of residents of the areas and members of the groups served." Such participation is also obtained by employing neighborhood residents in nonprofessional capacities. Programs funded during the first year of the Legal Services Program are supervised by governing bodies which nationally average over 50 percent lawyers and 30 percent representation of the groups and areas to be served.

Second, no program will be funded which provides services for those who can afford an attorney. The exact standard of eligibility must be determined on the local level and should be flexible to accommodate individual problems caused by illness, long periods of unemployment, or other misfortune. Accommodation to different localities and economic conditions has produced a wide variation of eligibility standards. The average income standard for a single person in funded programs is $2,200 per year, but the range varies from a low of $1,200 in certain rural areas to $3,380 in a few large cities. For a family of four, the average standard is $3,360 with a range from $2,000 to $5,200.

The existence of more effective and comprehensive legal services programs for the indigent has resulted in a dramatic increase in the number of applicants coming to lawyer referral services. Many persons who can afford to retain a private attorney do not know how to secure legal assistance and often apply at a neighborhood law office. For example, in California's Alameda County where a pioneer OEO program has been operating for over a year and a half, the number of referrals to the County Bar Association Referral Service quadrupled. And in New Haven the birthplace of the neighborhood law office, the County Bar Association reported that referrals have increased threefold since 1963.

Third, there should be no arbitrary limit to the scope or the type of civil legal services provided to clients. All areas of the civil law should be included and a full spectrum of legal work should be provided: advice, representation, litigation, and appeal. Service may be afforded to eligible clients in areas of the criminal law where representation is not constitutionally required, such as misdemeanors, juvenile court, competency proceedings, if such representation is not provided locally.

Fourth, the Economic Opportunity Act limits the share of Federal expenditure in most cases to 90 percent of the cost of the program. The local community must provide the balance; however, the contribution can be either in cash or in the fair value of donated equipment, furniture, supplies, space, etc. In addition, the services of volunteer attorneys may also be counted in the non-Federal share. Most funded Legal Services Programs depend upon the contribution of volunteer services of private attorneys for a substantial portion of their non-Federal share.

Fifth, and most important, no Legal Services Program will be funded by OEO which will in any way violate the Canons of Professional Ethics.

EXAMPLES OF PROGRAMS FUNDED

E. Clinton Bamberger, Jr., in his first major address to the annual meeting of the National Legal Aid and Defender Association in November 1965, asked local communities to "accept bold ideas, new theories, courageous innovations and disputed principles with an open and inquisitive mind and a renewed commitment to make the law an instrument of advantage for disadvantaged people." The response to this challenge has been an unprecedented year of innovation and sound experimentation in the legal services field. Diversity and quality have been the watchwords of most programs funded during the past year.

The nation's capital provides a prime example of a large urban program. Over 25 attorneys, operating out of eight neighborhood offices, handled 7,747 matters during the project's first year of full scale operation. A law reform unit has been established to provide special attention to cases which might have an important impact on poverty. Community education is also featured—an illustrated brochure concerning common legal problems of the poor has been distributed in low-income neighborhoods, and skits illustrating legal pitfalls have been presented.

A large, new program in Philadelphia contains several innovative features. The neighborhood law offices will be supported by a Consumer's Advocate, staffed by one full-time attorney. This lawyer will undertake activities which are remedial in nature such as prosecuting test cases, drafting legislation, or conducting community education campaigns. The program also contains provisions for representation of indigent minors in the Juvenile Court.

Indianapolis presents an example of a program utilizing all metropolitan resources. The program was developed with the aid of the Indiana University School of Law and the University's School of Social Work. The former will begin an Urban Legal Problems Institute to provide needed research on legal problems of the poor. The latter will place a social worker in the legal services offices to augment traditional referral services.

In St. Louis, the bar association has undertaken an extensive program of legal education in target area communities. Volunteer lawyers have prepared detailed outlines in five substantive areas of law relevant to the poor. These have been utilized by a large panel of lectures in the preparation of their talks.

Houston, Texas, presents an example of a large combined criminal and civil program to meet the complete legal needs of the poor. The Houston Legal Foundation, a prestigious legal group in that city, obtained a Ford Foundation grant to finance the criminal portion of that program and operates the civil phase under an OEO grant.

Legal services grants have not been restricted to large cities by any means. The neighborhood law office approach also will be used in medium-sized cities such as East St. Louis, Illinois; Lynn, Massachusetts; and Chester, Pennsylvania. These techniques also will be employed in relatively small cities such as Carbondale, Illinois, and Fort Pierce, Florida.

Different means must be utilized to reach the rural poor. Under a large grant to provide legal assistance to California migrants, 10 law offices will be located in rural areas throughout the State where adequate legal aid is not now available. A central office in Los Angeles will house the research staff for this component.

In other rural areas, new methods are being tested. Under an OEO grant, the State bar of Wisconsin has initiated a Judicare program. Indigents in 27 northern counties will have their legal matters handled by a private attorney who then will be reimbursed at a reduced rate from the Judicare fund. (This experimental program will not be repeated during the coming fiscal year.) A different approach will be utilized in the nearby Upper Peninsula of Michigan where attorneys will staff offices in six towns and will revive the practice of "circuit riding" to serve other areas. This technique will also be used in Montana where one lawyer will provide legal services to seven rural counties on a rotating basis.

Another innovation to meet the legal needs of the rural poor is the mobile law office, adapting techniques used for many years by the public health services. Under a grant to the Delaware County (Oklahoma) Legal Services Board, a mobile law office will make regularly scheduled visits to the small rural communities in the county.

Similar techniques will be used to reach the forgotten poor—the American Indians. Members of four Indian tribes will receive legal services under OEO funded programs. The most ambitious of these projects is an $872,851 grant to the Navajo Legal Aid and Defender Society of Window Rock, Arizona. This program, located on the largest reservation in America, consists of five offices, strategically established in the 25,000 square mile area, to serve as home bases for the circuit-riding attorneys. This single program will reach over 30 percent of the Indian population presently living on reservations in the entire United States.

Law schools will play an important role in mobilizing the legal war on poverty. The University of Detroit Law School has restructured its curriculum to add new courses in such areas as employee rights and public assistance laws. Its law review will be converted this fall into The Journal of Urban Law to encourage scholarly research in the problems of the poor. A graduate program in urban law will be established to give more intensive training to those lawyers

who want to teach and practice in the field.

Law and poverty will receive intensive study under a grant made to the School of Law of the University of Mississippi. In addition, the students will work with staff lawyers of two neighborhood clinics to be established by the law school in Oxford, Mississippi, and will also work with practicing attorneys in the community handling cases for the indigent. Such clinical work will be tied directly to courses at the school.

The law schools at Notre Dame and Southern Methodist University will oversee the operation of neighborhood law offices in their communities. Harvard Law School will establish a model law office in Cambridge, Massachusetts.

Other programs will be oriented to law research. The Columbia University School of Social Work will make extensive studies of the law relevant to social welfare. The staff of the program will offer aid in the preparation of briefs and pleadings for test cases in this area. Under another grant to Columbia University, its Bureau of Applied Social Research will measure the impact of consumer credit systems and garnishment practices on the poor.

State bar associations will also participate in the War on Poverty under OEO grants. The Ohio State Bar Association will render technical assistance to local communities in establishing their own legal services program. It will conduct a training program for lawyers staffing legal services programs in that state. Bar-related institutes in New Jersey and California will conduct similar training programs. As mentioned before, State bar associations in Montana and Wisconsin received grants to operate legal services programs.

The American Bar Foundation has been awarded a research grant to survey existing facilities for providing legal services to the poor and to study the impact of the different forms of providing legal assistance. This research and the intensive evaluation of three funded programs to be undertaken by the Center for Law and Society at the University of California should yield information which will be useful to all legal services projects.

These are just a few examples of the legal services programs that have been funded. They do not exhaust the possible range of programs that can be tailored to meet individual community needs.

LAW STUDENTS, RECENT GRADUATES, AND PRACTICING ATTORNEYS

Law student training program

Most law schools have appointed a faculty member to advise students of opportunities for part-time term-time employment and full-time summer employment in neighborhood legal services offices. Almost every funded program has a budget allowance for such expenditure, and where there are no law students available during the year, summer employment is proposed.

These activities give law students excellent practical experience under the tutelage of practicing attorneys. They also gain invaluable insights into the problems of their communities.

Recruitment efforts

This past spring, OEO sponsored a clearing-house for employment opportunities in funded legal services programs. Representatives were assigned to each of the 132 accredited law schools to inform students about the possibility of employment in local legal services programs. The response to this effort was extremely encouraging. Over 1,200 graduating seniors and law students applied for positions in OEO-funded programs. This recruitment campaign will be repeated in the autumn of 1966.

Efforts are underway to acquaint the large and middle size law firms with the goals of the programs and to have young attorneys in these firms take leaves of absence to work for one year in the Program.

Professional placement

The 160 programs presently funded offer potential employment to over 1,000 attorneys. The Legal Services Program is working in close cooperation with the Lawyer Placement Information Service of the American Bar Association to aid local project directors in securing experienced, qualified attorneys for their new neighborhood offices

THE COMING YEAR

During the past year, important strides have been made by the legal profession and the OEO Legal Services Program. But much remains to be done.

At present there are 130 proposals pending from localities which presently have no legal services programs. More than 100 other communities have contacted us and are now in the process of formulating applications. If the poor in these areas are to have legal services, over 20 million dollars in new Federal grants must be processed and approved during the next year. This will be in addition to refunding the 160 existing projects.

Plans also have been made to render assistance to the new grantees, particularly those communities which have not had organized legal services in the past:

A roster of consultants, men and women experienced in operating legal aid societies or other legal services organizations, will be available to render assistance to newly funded projects.

A monthly newsletter will be distributed to all legal services agencies containing pertinent information on new grants, interesting cases, and applicable journal articles.

Negotiations are underway with publishers to develop a looseleaf service helpful to lawyers serving the poor.

A three-day meeting of all legal services project directors will be held to discuss administrative problems, field experiences, and research efforts.

Research data collected from legal services programs will be coordinated with material collected by the American Bar Foundation in order to provide a more comprehensive analysis of legal services projects in their continuing efforts to meet the legal needs of the poor.

Today, as Attorney General Katzenbach has noted, "the poor man is cut off from this society—and from the protection of its laws. We make him, thus, a functional outlaw." Not only is this situation untenable within a free democratic society, but its disastrous effects have been witnessed in Harlem, Rochester, Watts, Omaha and Chicago.

In order for there to be a different tomorrow, the organized bar, the legal profession, and the Federal Government have pledged themselves to correct the practices which discriminate against the poor and to institute programs which will enable the poor man to learn of his rights and obligations under the law.

On June 30, 1966, Judge Alexander of the Pennsylvania Court of Common Pleas granted a charter to the neighborhood legal services project in the city of Philadelphia. His opinion sounds the theme of the Legal Services Program as it enters its second year.

"The sum of the matter is that the role of the legal profession is critical in the struggle against poverty to which the national effort is firmly committed. The public interest surely demands that role go forward with all possible speed and without delay."

"Let it begin—Now."

Mr. WILLIAMS of New Jersey. Mr. President, I wish to offer one additional item for the RECORD. A letter in support of the legal services program from a leader of the New Jersey bar. Mr. Dickinson R. Debevoise, a practicing lawyer in Newark and formerly treasurer of the Essex County Bar Association, has written to me about the success of the program in Newark, and I commend it to my colleagues.

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

RIKER, DANZIG, SCHERER & BROWN,
COUNSELLORS AT LAW,
Newark, N.J., August 26, 1966.

Hon. HARRISON A. WILLIAMS, JR.,
U.S. Senate Office Building,
Washington, D.C.

DEAR PETE: I have already written you on behalf of the Board of Trustees of the Newark Legal Services Project concerning pending Poverty Program legislation—urging more adequate appropriations and the elimination of the crippling amendments proposed by the House Committee on Education and Labor. I now write both as a citizen and as a member of the Bar, urging that full support be given to the providing of adequate appropriations for the legal services projects being established throughout the United States.

I know from our long friendship how concerned you are with the plight of the underdog in our society, and for that reason these programs, as they are now developing, should be of particular interest to you.

During the past year and one-half I have participated in the organization of the Newark Legal Services Project and at the moment I am President of its Board of Trustees. I am serving on Governor Hughes' Committee on Law and Poverty and am a member of the New Jersey State Bar Association's Committee on Law and Poverty.

Work on the Newark Legal Services Program began about a year and one-half ago. Most of us attorneys, even though we had practiced for years in the heart of a large city, had no conception of the vast unmet needs of the urban poor for legal services. Nothing short of a book-length report could accurately convey the extent to which the law is unavailable to the poor. We had generally assumed that legal aid organizations and good-hearted lawyers were within reach of every poor person who really needed legal assistance. This is very remote from the actual state of affairs. In fact, the huge slum areas of the central cities (and I suspect vast rural areas as well) are almost absolutely without legal help of any sort in the civil field. Most of us urged resort to the law to remedy grivances. Few of us realized what a vacuous sentiment that was, in view of the fact that the protections and institutions of the law are virtually unobtainable by the poor.

Great imagination has been exercised in devising legal programs to meet the many different situations calling for legal assistance. In Newark the key to our solution is the establishment of neighborhood law offices in the areas of most desperate poverty.

The Newark Legal Services Project is the product of the joint work of representatives of the Bar and representatives of the poverty community. Our board of trustees includes two representatives from each of the areas in which our neighborhood offices are located and attorneys appointed by such groups as the State Bar Association, the County Bar Association, our two law schools, the Legal Aid Society, the Lawyers' Referral Committee of the Bar Association and the Institute for Continuing Legal Education.

The OEO legal program provides a means whereby the local bar association, working with other groups in the community, can bring the law and its institutions within reach of those who heretofore have had to live entirely apart from the law. I wish you

could see our trustee attorneys and our trustees from the poverty community working out our problems. I wish you could hear our staff attorneys describe the shocking situations which have existed and which will no longer exist when the protections of the law are brought to bear. I wish you could watch the law students from Rutgers, Harvard, Yale, Pennsylvania law schools who are working with us this summer. These students give one very great confidence in the idealism, the intelligence and basic decency of today's young Americans.

Not only have we served hundreds of individual clients during the few months of our existence, but we are also devising ways of using the laws to correct social maladjustments. For example: (i) We are working with a citizens group to improve conditions in the City Hospital; (ii) We are working with a community action group to implement the newly enacted rent receiver law designed to compel landlords to rehabilitate substandard dwellings; (iii) We have provided the manpower needed to start a program for release of qualified suspects on their own recognizances; (iv) We have worked out with the County Welfare Board procedures whereby welfare recipients can obtain a review of decisions affecting them.

Two proposals before Congress are a serious threat to the legal services programs. Increasing the local share requirement from 10% to 20% would require the termination or curtailment of many legal programs. The Newark legal program, for example, has had to raise its entire local share from private sources, such as attorneys, business corporations, churches and foundations. We can raise 10%; we could not raise 20%. The limitation of salaries to the amount of $12,500.00 is absurd. Our administratior, who is the key to our program, has had experience with the Department of Justice, the United States Attorney's Office and the Essex County Prosecutor's Office. We could not expect him to work for the project for less than the $17,000.00 which he is paid.

You may think I wax over-eloquent when I write of the OEO legal services projects, but this is the way our program affects those lawyers who come in contact with it. I only hope that I can convey to you in some measure the excitement our lawyers feel as they begin to sense that we have here a tool which will protect those who need protection and which will provide a means of correcting gross wrongs through the use of existing institutions in our society. I urge you, and through you the other members of the Senate, to support these programs and to provide the means for carrying them out.

Respectfully,

DICK.

AMENDMENT OF THE MANPOWER DEVELOPMENT AND TRAINING ACT OF 1962

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be laid aside temporarily, and that the Senate turn to the consideration of Calendar No. 1680, H.R. 16715.

The PRESIDING OFFICER (Mr. PELL in the chair). Without objection, the pending business will be laid aside temporarily.

The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (H.R. 16715) to amend the Manpower Development and Training Act of 1962.

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

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, this measure was reported favorably, and I believe unanimously, by the Committee on Labor and Public Welfare.

When the Manpower Development and Training Act was passed in 1962, it was designed primarily to deal with the problems faced by the experienced worker who had been or was about to be displaced by technological or other economic change.

The changes that have subsequently occurred in the Nation's economy, notably the substantial reduction in the unemployment rate, have required a corresponding evolution in the emphasis and direction of the training and research programs provided by the act.

The 1966 amendments to Manpower Development and Training Act do not alter the basic objectives of the act. But they do provide a needed flexibility to its program and its administration which will permit a more effective effort in dealing with the manpower problems of the Nation in the last half of this decade—problems of the disadvantaged and the hard-core unemployed and the growing problem of skill shortages in some areas and some occupations.

From its enactment in 1962, the Congress has looked upon the Manpower Development and Training Act not as a static or fixed statute but as a living, changing law—always responsive to manpower problems as they emerge. New pathways to employment, new patterns of training have developed from the constant search for better ways of fulfilling the legislation's mandate. The support for this flexible and versatile approach is evidenced by our action in enacting amendments in 1963 and 1965, with large majorities, and by now again proposing a variety of legislative changes to make this an even more effective manpower development and training program.

The rapid change in the nation's economic climate underscores the need for flexibility. The Manpower Development and Training Act, at its conception, was an emblem of the effort to reduce high unemployment rates and soften the impact of a fast-growing labor force in a time of rapid technological change. Yet, at a time when unemployment has moved below 4 percent, the striking relevance of the law has been sustained. What might have been considered in its initial stages as an antiemployment device, a mechanism whereby the unemployed could move into jobs, serves equally well in a period of economic expansion as an instrument for meeting skill shortages and for increasing the quality of skills in the labor force.

H.R. 16715 passed the House on September 19 by a voice vote under suspension of the rules. It will help perfect the act and will not require additional appropriations. That it received total bipartisan support in committee and on the floor is evidenced by the speech of Representative QUIE, Republican, of Minnesota:

I believe the changes are well drawn. The Members on our side of the aisle gave complete and wholehearted support to this legislation. There is no controversy in connection with it. Rather than take any more of the time of the House, I will just say that we will give wholehearted and complete support to it. We look forward to the development of further studies of manpower training in order that we can reach all of the people who have the capability but not the skills to hold down the job which everyone needs in order to have an adequate income.

Mr. AYRES, senior Republican on the House Committee on Education and Labor, seconded this sentiment:

I strongly support this legislation, because I feel that it strengthens the Manpower Development and Training Act in several essential respects. One significant omission in the existing law is the lack of any training program for older workers. The bill we are considering corrects this omission.

I wish to commend the members of the subcommittee for the excellent work they have done in developing this proposal. . . . I hope the House will give its overwhelming approval to the bill.

The House bill was unanimously approved, without amendment, by the subcommittee and the full Committee on Labor and Public Welfare. The major provisions of the bill would—

First. Direct the establishment of special programs of testing, counseling, selection and referral of older workers for training and other programs.

Second. Authorize the Secretary of Labor to provide experimental programs of part-time training for workers in areas where there are critical skill shortages.

Third. Authorize experimental programs of training and education for inmates of correctional institutions.

There are a number of other provisions, whose explanation and justification can be found on pages 28–32 of the Senate hearings. As I indicated earlier, the bill requires no new authorization and has strong support of major segments of the business and labor communities as well as active bipartisan congressional support.

I enthusiastically recommend the enactment of these amendments to an act which is universally recognized as one of the Nation's most positive and successful solutions to continuing manpower problems.

I ask unanimous consent to have printed in the RECORD at this point the history of the legislation, its major provisions, and a section-by-section analysis of the proposal.

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

BACKGROUND OF THE LEGISLATION

When the Manpower Development and Training Act was passed in 1962 it was designed primarily to deal with the problems faced by the experienced worker who had been, or was about to be displaced by technological or other economic change. The changes that have subsequently occurred in the Nation's economy, notably the substantial reduction in the unemployment rate, have required, a corresponding evolution in the emphasis and direction of the training and research programs provided by the act.

The 1966 amendments to MDTA do not alter the basic objectives of the act. But they do provide a needed flexibility to its programs and its administration which will permit a more effective effort in dealing with the manpower problems of the Nation in the

last half of this decade—problems of the disadvantaged and the hard-core unemployed and the growing problem of skill shortages in some areas and some occupations.

HISTORY OF LEGISLATION

H.R. 16715 passed by the House by voice vote, under suspension of the rules on September 19, 1966. After brief hearings, the Subcommittee on Employment, Manpower, and Poverty of the Committee on Labor and Public Welfare on October 5, 1966, reported the bill to the full committee. On October 11 the committee ordered this bill reported to the Senate.

MAJOR PROVISIONS

A. *Selection of trainees.*—The present act, in addition to calling for the Secretary of Labor to provide programs of testing, counseling, and referral to training for unemployed or underemployed persons generally, contains a specific direction that a special program be undertaken for training of young people whose educational background and work preparation have not adequately prepared them to enter the labor force. This bill amends the act by adding language directing the Secretary to formulate a program to meet the special employment needs of workers 45 years of age or more.

The "older worker," the worker who is not old enough to retire, and yet too old to face unemployment with any real hope of finding a new job, is the victim, not so much of antagonistic prejudices, but of well-meaning, even sympathetic ignorance. On all sides, it is assumed that a worker of 45 or 50 cannot adjust to a new job, that he no longer has the physical strength to perform the same tasks he could undertake when he was 25 or 30, that his health is such that he cannot be depended upon to be a steady worker, and such ideas. There are other problems which prevent the older worker from finding a new job, and some of them may be less based on folklore and more on economic fact than those cited above. This amendment will not be a panacea for the employment problems of older workers. But it will certainly help demonstrate that the older worker is a valuable member of the labor force. In a period of growing demand for labor, the older worker, in many cases, needs but the opportunity to show that he can do a new job in order to have doors now closed begin to open for him. This amendment offers that opportunity.

The act now provides not only for skills training, but also for training in basic education needs. A technically competent and bright prospective lathe operator may be unemployable or untrainable if he cannot read or write. This bill, therefore, provides for referral to training in communications and other employment skills.

Excellent work is being done at Howard University and at other locations in showing that what may seem to be impenetrable ignorance and near illiteracy in a prospective worker may well be merely the result of having learned to communicate in a substantially different way than that of the prospective employer or the members of the public with whom the worker may have to deal. The term "employment skills" is intended to include skills and characteristics other than specific occupational skills which may affect an individual's employability; for example, work habits, conformity to expected standards of behavior as an employee, job finding skills, and attitudes conducive to satisfactory occupational adjustment.

A new subsection is added to section 202 to provide physical examinations and minor medical treatment or prosthesis for trainees who cannot afford it and where it is not otherwise available in the community. This amendment is designed to reduce dropouts during training for reasons of health and provide minor correctional services for persons who could not otherwise pass appropriate and necessary company physical examinations after training has been completed. The committee intends that such medical services shall be furnished through agreements between the Secretary of Labor and the Secretary of Health, Education, and Welfare, that first recourse will be to existing programs funded by the Department of Health, Education, and Welfare and that, as a last resort, the Labor Department may procure such services directly where HEW is unable to provide them. Services and appliances under this provision are limited to an aggregate of $100 per trainee.

B. *Upgrading.* One of the most useful roles MDTA can play in meeting skills shortages and in serving to combat hard-core unemployment is to make it possible for employed persons to be trained in skills beyond those utilized in their present jobs, thus enabling them to move to better jobs, and making their present jobs available for persons who have had special difficulty even entering the job market. The committee intends that an experimental program be undertaken which would include training techniques combined with personnel management practices which actively promote upgrading through delineation of skill levels and job relationships, job reengineering, and other methods of effective manpower development and utilization. The Secretary of Labor has full discretion to designate skill shortages and to formulate standards of eligibility for selection and referral to part-time training projects. The Secretary would also establish standards to assure that workers available for full-time training are not referred to part-time training with a concomitant lengthening of the training period.

The bill contains two closely linked provisions which are intended to make this kind of training possible. The first authorizes an experimental program of part-time training, primarily intended for the employed in areas and occupations where there are critical skill shortages.

The second provision authorizes payments not to exceed $10 per week, in lieu of any other payments under section 203, to persons selected for such training to meet the additional costs incurred in attending training.

C. *Training allowances.*—Rigidity in the payment of training allowances has in many cases slowed down the selection of trainees, made training less desirable to those who could most profit from it, and in some areas has actually increased the cost of the program. Several amendments should make this part of the act easier to administer.

First, the present act prevents the payment of training allowances to persons who have not had at least 2 years of gainful employment (with some exceptions which will be mentioned below). Since 1 year's work experience seems an adequate time for a man to learn the basic habits of work, and to find out if his previous training has in fact equipped him for an optimum role in the labor force, this bill reduces the requirement from 2 years to 1.

The major exception to the "labor force attachment" mentioned above involves youths of 17 years or more who have finished or left high school. In the case of high school dropouts, the Secretary is presently required to ascertain that the local school authorities have availed themselves of all their resources, including guidance and counseling, and have concluded that the further presence of the young person in a regular school situation is simply not practicable. The Secretary is further required to wait until the young person has been out of school for an entire year. While the committee desires that the Secretary should continue to make every effort to find out if a young person cannot usefully be placed back into educational structure before referring him to MDTA training, it feels it is unnecessary and perhaps harmful to require a year's wait, in addition to this necessary screening process. There is no good reason to force a young person to wait a year and become habituated to the environment of the street corner or the back alley when he could be receiving skills training and be getting started in a trade.

In addition, section 4(a)(3) of this bill provides that persons who have completed a program under the Neighborhood Youth Corps may be referred to MDTA training and paid a regular training allowance.

This bill also permits the Secretary to pay a training allowance to a person who is referred to a second course after having left or completed one, without waiting a full year, if he shall determine that there is good cause to do so. Where the trainee is precluded from using his training for reasons beyond his control, the Secretary should have this authority without being restricted by artificial waiting periods. In administering this exception, the Secretary shall take precautions to insure against the pyramiding of benefits by a trainee going from one course to another and absorbing training opportunities which should be spread among a greater number of individuals.

The bill takes cognizance of cases in which an unemployed person may be so poverty-stricken that he cannot enter training at all or continue in it until he has received at least some funds to enable him, perhaps, to buy a pair of serviceable shoes, or to meet some other immediately pressing need. The bill provides, in such cases, for a limited advance payment of his training allowance, to be repaid either through deductions from subsequent allowances or through other arrangements. This provision should be construed to permit advances to be made to all persons entitled to payments as trainees regardless whether payments to such persons are technically denominated as training allowances, training incentive payments, sums necessary to defray expenses, or amounts payable to part-time trainees.

This provision would remedy the problem of training personnel having to assist trainees by making small loans to meet the cost of such items as car fare, lunches, etc. Such requests have been a source of inconvenience to project personnel, and experience indicates the need of a petty cash fund to meet these small recurring needs.

Procedures under this amendment should be devised to assure that funds are immediately and readily available for such expenses and that without sacrificing flexibility proper controls are instituted to protect the funds.

Under present procedures, a person in receipt of an MDTA training allowance who is receiving, or whose family is receiving public assistance under the Social Security Act, will have such assistance reduced by the amount of the MDTA allowance. This has the disadvantage of removing any immediate financial incentive for entrance into training. In some instances, also, there have been situations in which communications at the local level have been faulty, and persons have been paid both MDTA allowances and public assistance benefits.

To meet these problems, the committee proposes that beneficiaries of Social Security Act programs be referred to training without a "training allowance" as such, but that they be given instead a modest $20 weekly incentive payment, plus expenses directly attributable to training, which shall not be considered as income for social security purposes. This would enable the welfare benefit to be continued uninterrupted, and at the same time serve the purpose of the training allowance provisions of MDTA by making it financially beneficial for persons to enter training and to start on the road to self-support.

This provision does not contemplate incentive payments and expense allowances in

an amount greater than any other allowances the individual would otherwise be entitled to if he were not a recipient of benefits under the Social Security Act.

D. *Correctional institutions.*—Section 6 of this bill authorizes the Secretary of Labor to carry out, on an experimental and developmental basis, a program of training for the benefit of inmates of correctional institutions, to be carried out through agreements with Federal, State, and local penal officials, and after consultation with the appropriate area manpower training advisory committees. The committee is not yet prepared to recommend this as a permanent full-scale program, and feels that great care must be taken to insure that such training does not result in any increase in the production of goods in competition with free labor.

Suggestions for special programs for parolees and probationers were not adopted since there is nothing in the act now which prevents the Secretary from referring a parolee or probationer to training. The bonding provisions of section 105 of the act which this bill extends for an additional year are designed, in part, to assist such persons.

E. *Administrative provisions.*—The present act permits the Secretary of HEW to carry out his responsibility for providing for the setting up of institutional training through agreements with appropriate education agencies, including through agreements with private educational or training institutions where such institutions can provide equipment or services not available in public institutions, "or where such institutions can, at comparable cost, (1) provide substantially equivalent training, or (2) make possible an expanded use of the individual referral method, or (3) aid in reducing more quickly unemployment or current and prospective manpower shortages."

The bill, in section 5(a), eases the use of private institutions where such use can allow training to begin more quickly or be carried out more economically or more effectively. It is the intent that the Secretary of HEW make every available use of this provision to accelerate entrance into training of workers desiring training opportunities, as well as to reduce to the greatest extent possible instances of training being denied eligible applicants.

Section 5(b) allows the training cost increment of research and development projects to be allocated without regard to the 10-percent matching requirement which has gone into effect at the beginning of fiscal 1967. The matching requirement, which previous amendments postponed until the beginning of this fiscal year, applied to all training costs. A very small part of the total program is carried on under title I, authorizing experimental, research, and development projects. The training increment of these projects—a small part of this small part—has been financed from the allotments to the several States under title II.

In previous years, this has posed no problem, since the States were not contributing any portion of the direct costs. With the requirement of matching, the States will now have a virtual veto power over E. & D. projects, since they would, in the absence of this amendment, be required to contribute 10 percent of the training increment of such projects. Since the projects themselves are designed to benefit the entire program, rather than to meet the immediate manpower needs of the particular State in which they happen to be located, the State's objections would be quite understandable, even though relatively small amounts of money would be actually involved. It is proposed, therefore, to exempt the training increment thereof from the normal matching requirements. It is appropriate to observe, in this context, that the effective date of the matching provisions, which has been delayed more than once, cannot be further delayed. The matching provisions, which are very liberally conceived, seem an eminently reasonable requirement for State participation, and there was no serious recommendation made that their effectiveness be further delayed, with the very minor exception provided in this subsection.

Section 7 of the bill amends the apportionment formula, confining its effect to 80 percent of the total funds appropriated in a given year, and leaving the Secretaries of Labor and HEW free to utilize the remaining 20 percent in areas of special need. The present formula, which remains unchanged, takes into account essentially the unemployment rate and the relative size of the labor force in a given State. No cognizance is taken of skills shortages, abrupt changes in the State's industrial pattern, or other criteria which could justify special emphasis in a given State in a given year. The existence of critical skills shortages in States where unemployment is not serious is a question of particular concern. Such situations should receive particular attention by the Secretaries in their allocation of this 20 percent of the funds appropriated.

Section 104 of the act authorizes, on a pilot basis, projects exploring the feasibility of paying relocation expenses, on a grant or loan basis, as a means of reducing unemployment. Section 105 of the act provides experimental and demonstration authority in the area of securing bonds for trainees who require such bonding to obtain employment subsequent to their training. In both cases, the existing authority expires at the end of fiscal year 1967. This bill would extend the existing authority under both sections for 1 additional year.

Finally, the bill repeals the requirement for an annual report to the Congress by the Secretary of Labor, though continuing this report as it applies to the Secretary of Health, Education, and Welfare. The Secretary of Labor's report, in the opinion of your committee, tends to be duplicative of the President's Manpower Report, which also has its statutory base in this act.

The report of the Secretary of Health, Education, and Welfare is different. The President's Manpower Report does not cover the innovations and improved training methods utilized to secure the objectives of this act. The report of the Secretary of HEW can and should do so. Accurate and detailed information on the techniques used under the MDTA program can be beneficial to school administrators throughout the Nation, and, if properly presented, can serve as a guide for updating the curriculum in the vocational education institutions.

In this context, it is important to emphasize that the duties assigned to the Secretary of HEW under this act are assigned to him, and they are not intended to be delegated by him to any particular one of the naturally divergent agencies within that Department. The Secretary's duties under MDTA are not duties analogous to those performed by the Office of Education, or any other single component part of that Department. The Secretary, the program, and the public interest will continue to best be served by the retention of these responsibilities in the Office of the Secretary.

SECTION-BY-SECTION ANALYSIS

Section 1. Short title: This section provides that the act may be cited as the "Manpower Development and Training Amendments of 1966".

Section 2. Labor mobility and trainee placement assistance demonstration projects: Subsection (a) of this section amends section 104 of the Manpower Development and Training Act of 1962 (hereinafter in this analysis referred to as "the Act") to extend for 1 additional year—until June 30, 1968—the period during which the Secretary of Labor may develop and carry out labor mobility demonstration projects under section 104.

Subsection (b) of this section amends section 105 of the act to extend for 1 year—until June 30, 1968—the period during which the Secretary may carry on trainee placement assistance demonstration projects under section 105. It also provides that not more than $300,000 of the funds appropriated to carry out the act in a fiscal year may be used for carrying out section 105.

Section 3. Referral for training: Subsection (a) of this section amends section 202 of the act to require the Secretary of Labor to provide, where appropriate, special programs of testing, counseling, selection, and referral to persons 45 years of age or older for occupational training and further schooling to meet the special problems faced by them in the labor market.

Subsection (b) of this section amends section 202 of the act to authorize the Secretary, where appropriate, to refer for the attainment of basic education and communication and employment skills, those eligible persons who indicate their intention to and will thereby be able to pursue, subsequently or concurrently, courses of occupational training for which there appears to be a reasonable expectation of employment, or who have not completed or who do not need occupational training but do require such other preparation to render them employable.

This section also adds a provision permitting the Secretary to enter into agreements with the Secretary of Health, Education, and Welfare to facilitate the provisions of physical examinations, medical treatment, and prostheses for persons selected, or eligible for selection, for training. The agreement may provide that where the person cannot afford to pay for the services, and he cannot find the services elsewhere without cost, there may be extended not more than $100 to provide such services for that person. If the Secretary of HEW is unable to arrange for the provision of these services, the Secretary of Labor may expend not more than $100 to provide them to the person.

Another provision added by this subsection is one which directs the Secretary, in accordance with his regulations, to provide experimental programs for part-time training of persons, including employed persons, to meet skill shortages in areas or occupations in which there are critical skill shortages.

Section 4. Training allowances: Subsection (a) of this section amends section 203 (c) of the act. The first amendment would shorten from 2 years to 1 year the period of experience in gainful employment required as a prerequisite to the receipt of training allowances.

The second amendment provides that a youth who has not completed high school may receive training allowances if he has been out of school for 1 year or if the local authorities have concluded that further school attendance is no longer practicable. Under the present law both these requirements must be met.

The third amendment permits the Secretary to refer individuals for training who have completed a program under part B of title I of the Economic Opportunity Act (commonly referred to as a Neighborhood Youth Corps program). A trainee so referred may be paid a training allowance without regard to any of the requirements of subsection (c) or subsection (h) of the section. These payments will not exceed the average weekly gross unemployment compensation payment (including allowances for dependents) for a week of total unemployment in the State making the payments during the most recent four-calendar-quarter period for which data are available. These

trainees will not be counted for purposes of the limitation on the number of youths who may receive training allowances.

Subsection (b) amends section 203(h) of the act to allow a person to be referred immediately to a second MDTA program with a training allowance if the Secretary determines there is good cause to permit it so that the trainee may be adequately prepared for full-time employment.

Subsection (c) of this section amends section 203 to permit the Secretary to provide advance payments of training allowances to individuals selected for training who, because of immediate financial need for the maintenance of themselves or their dependents, would otherwise be unable to enter or continue training. The advance payments will not exceed 1 week's training allowance, and will be repaid either through deduction from training allowances or through other arrangements with the trainee.

The subsection also provides for the payment of a training allowance not in excess of $10 to persons referred for part-time training under the new section 202(1).

The new subsection (1) provides that no training allowance will be paid to any person for a period for which a money payment has been made with respect to that person under a State plan approved under the Social Security Act, usually the aid for families of dependent children program. However, the Secretary may pay to such person such sums as he determines are necessary to defray his expenses attributable to training, and a training incentive payment of not more than $20 a week. Provision is also made to insure that the payments made under this subsection will not be regarded as income or resources in determining entitlements under the applicable titles of the Social Security Act.

Section 5. Provision of training: Subsection (a) of this section directs the Secretary of Health, Education, and Welfare to give preference to training and education provided through State vocational education agencies and other educational agencies. However, where it would permit persons to begin their training or education within a shorter period of time, or permit the training or education to be provided more economically or effectively, the Secretary may provide the needed training or education by agreement or contract with public or private training or educational facilities or through any other arrangements as he deems necessary to give full effect to the act.

Subsection (b) of this section amends the provisions of section 231 of the act, which requires State matching, to provide that the requirement will not apply with respect to programs carried out in conjunction with experimental, demonstration, and pilot projects carried on under section 102(6).

Section 6. Correctional institutions: This section adds a new part D to title II of the act which directs the Secretary, during the period ending June 30, 1969, to develop and carry experimental and demonstration programs of training and education for persons in correctional institutions who are in need thereof to obtain employment upon release. The arrangements for this education and training will be made by the Secretary of HEW, and the programs will be conducted through agreements with the officials of the correctional institution. These programs may include vocational education, special job development and placement activities, prevocational, basic, and secondary education, and counseling. They also may provide supportive and followup services and such other assistance as is deemed necessary.

Section 7. Apportionment: This section amends section 301 of the act which now requires apportionment of Federal expenditures under the act among the States according to a set formula. Under the amendment 20 percent of the funds may be expended by the Secretary of Labor and the Secretary of HEW as they find necessary or appropriate to carry out the purposes of title II, without complying with apportionment formulas that will continue to govern the apportionment of the remaining 80 percent of the funds available for title II.

Section 8. Report: Subsection (a) of this section repeals section 309 of the existing act which requires a report from the Secretary of Labor and also from the Secretary of HEW. It inserts in lieu thereof a requirement that the Secretary of HEW shall make an annual report evaluating the programs under section 231, the need for continuing the programs, and recommendations for improvement. The reports must also contain progress reports on the vocational training study which will be conducted under the supervision of the Secretary during 1966 and 1967.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 16715) was ordered to a third reading, was read the third time, and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3112) to amend the Clean Air Act so as to authorize grants to air pollution control agencies for maintenance of air pollution control agencies for maintenance of air pollution control programs in addition to present authority for grants to develop, establish, or improve such programs; make the use of appropriations under the Act more flexible by consolidating the appropriation authorizations under the Act and deleting the provision limiting the total of grants for support of air pollution control programs to 20 per centum of the total appropriation for any year; extend the duration of the programs authorized by the Act; and for other purposes.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 10327) to require operators of ocean cruises by water between the United States, its possessions and territories, and foreign countries to file evidence of financial security and other information; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. LENNON, Mr. DOWNING, Mr. ROGERS of Florida, Mr. MAILLIARD, and Mr. PELLY were appointed managers on the part of the House at the conference.

INTERNATIONAL EDUCATION ACT OF 1966

The Senate resumed the consideration of the bill (H.R. 14643) to provide for the strengthening of American educational resources for international studies and research, which had been reported from the Committee on Labor and Public Welfare, with an amendment, to strike out all after the enacting clause and insert:

That this Act may be cited as the "International Education Act of 1966".

Findings and Declaration

SEC. 2. The Congress hereby finds and declares that a knowledge of other countries is of the utmost importance in promoting mutual understanding and cooperation between nations; that strong American educational resources are a necessary base for strengthening our relations with other countries; that this and future generations of Americans should be assured ample opportunity to develop to the fullest extent possible their intellectual capacities in all areas of knowledge pertaining to other countries, peoples, and cultures; and that it is therefore both necessary and appropriate for the Federal Government to assist in the development of resources for international study and research, to assist in the development of resources and trained personnel in academic and professional fields, and to coordinate the existing and future programs of the Federal Government in international education, to meet the requirements of world leadership.

TITLE I—GRANT PROGRAMS FOR ADVANCED AND UNDERGRADUATE INTERNATIONAL STUDIES

Centers for Advanced International Studies

SEC. 101. (a) The Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") is authorized to arrange through grants to institutions of higher education, or combinations of such institutions, for the establishment, strengthening, and operation by them of graduate centers which will be national and international resources for research and training in international studies and the international aspects of professional and other fields of study. Activities carried on in such centers may be concentrated either on specific geographical areas of the world or on particular fields or issues in world affairs which concern one or more countries, or on both. The Secretary may also make grants to public and private nonprofit agencies and organizations, including professional and scholarly associations, when such grants will make an especially significant contribution to attaining the objectives of this section.

(b) Grants under this section may be used to cover part or all of the cost of establishing, strengthening, equipping, and operating research and training centers, including the cost of teaching and research materials and resources, the cost of programs for bringing visiting scholars and faculty to the center, and the cost of training, improvement, and travel of the staff for the purpose of carrying out the objectives of this section. Such grants may also include funds for stipends (in such amounts as may be determined in accordance with regulations of the Secretary) to individuals undergoing training in such centers, including allowances for dependents and for travel for research and study here and abroad. Grants under this section shall be made on such conditions as the Secretary finds necessary to carry out its purposes.

Grants To Strengthen Undergraduate Programs in International Studies

SEC. 102. (a) The Secretary is authorized to make grants to institutions of higher education, or combinations of such institutions, to assist them in planning, developing, and carrying out a comprehensive program to strengthen and improve undergraduate instruction in international studies. Grants made under this section may be for projects and activities which are an integral

part of such a comprehensive program such as—

(1) planning for the development and expansion of undergraduate programs in international studies;

(2) teaching, resarch, curriculum development, and other related activities;

(3) training of faculty members in foreign countries;

(4) expansion of foreign language courses;

(5) Planned and supervised student work-study-travel programs;

(6) programs under which foreign teachers and scholars may visit institutions as visiting faculty; and

(7) programs of English language training for foreign teachers, scholars, and students.

The Secretary may also make grants to public and private nonprofit agencies and organizations, including professional and scholarly associations, when such grants will make an especially significant contribution to attaining the objectives of this section.

(b) A grant may be made under this section only upon application to the Secretary at such time or times and containing such information as he deems necessary. The Secretary shall not approve an application unless it—

(1) sets forth a program for carrying out one or more projects or activities for which a grant is authorized under subsection (a);

(2) sets forth policies and procedures which assure that Federal funds made available under this section for any fiscal year will be so used as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available for purposes which meet the requirements of subsection (a), and in no case supplant such funds;

(3) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this section; and

(4) provides for making such report, in such form and containing such information, as the Secretary may require to carry out his functions under this section, and for keeping such records and for affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports.

(c) The Secretary shall allocate grants to institutions of higher education under this section in such manner and according to such plan as will most nearly provide an equitable distribution of the grants throughout the States while at the same time giving a preference to those institutions which are most in need of funds for programs in international studies and which show real promise of being able to use funds effectively.

Method of Payment; Federal Administration

SEC. 103. (a) Payments under this title may be made in installments, and in advance or by way of reimbursement with necessary adjustments on account of overpayments or underpayments.

(b) In administering the provisions of this title, the Secretary is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or nonprofit agency or institution, in accordance with written agreements between the Secretary and the head thereof published in the Federal Register three weeks prior to the date on which any such agreement is to become effective.

Federal Control of Education Prohibited

SEC. 104. Nothing contained in this Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution, or the selection of library resources by any educational institution or over the content of any material developed or published under any program assisted pursuant to this Act.

Authorization and Reports

SEC. 105. (a) There is authorized to be appropriated $1,000,000 for the fiscal year ending June 30, 1967, which shall be available only for the purpose of preparing the report provided for in subsection (b) of this section. There are authorized to be appropriated $40,000,000 for the fiscal year ending June 30, 1968, and $90,000,000 for the fiscal year ending June 30, 1969, for the purpose of carrying out the provisions of this title. For the fiscal years thereafter there shall be appropriated for the purpose of carrying out the provisions of this title only such amounts as the Congress may hereafter authorize by law.

(b) The Secretary shall prepare, with the advice of the Advisory Committee appointed pursuant to section 106, a report containing specific recommendations for carrying out the provisions of this title, including any recommendations for amendments to this title and to portions of other laws amended by this Act, and shall submit such report to the President and the Congress not later than April 30, 1967.

(c) Prior to January 31, 1968, and prior to January 31 in each year thereafter, the Secretary shall make a report to the Congress which reviews and evaluates activities carried on under the authority of this Act and which reviews other activities of the Federal Government drawing upon or strengthening American resources for international study and research and any existing activities and plans to coordinate and improve the efforts of the Federal Goverment in international education.

National Advisory Committee on International Studies

SEC. 106. (a) The President is authorized to establish in the Department of Health, Education, and Welfare a National Advisory Committee on International Studies, consisting of the Assistant Secretary of Health, Education, and Welfare for Education who shall be chairman, and not more than fifteen additional members appointed by the President so that a majority shall constitute a broad representation of higher education in the United States and the remainder shall include representatives of the general public and individuals experienced in foreign affairs.

(b) The Advisory Committee shall advise the Secretary in the preparation of the report provided for in section 105(b) of this Act, and thereafter shall advise the Secretary in carrying out the provisions of this Act. The recommendations of the Advisory Committee shall be included in the report provided for in section 105(b) of this Act and in the annual reports provided for in section 105(c) of this Act.

(c) Members of the Advisory Committee who are not regular full-time employees of the United States shall, while serving on business of the Committee, be entitled to receive compensation at rates fixed by the President, but not exceeding $100 per day, including traveltime; and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5 of the United States Code for persons in Government service employed intermittently.

(d) The Advisory Committee is authorized to appoint without regard to the provisions of title 5, United States Code, covering appointment in the competitive service, and fix the compensation of, without regard to chapter 51 and subchapter III of chapter 53 of such title, such professional and technical personnel as may be necessary to enable it to carry out its duties.

TITLE II—AMENDMENTS TO OTHER LAWS

Amendments to Strengthen Title VI of the National Defense Education Act of 1958

Removing requirement for area centers that adequate language instruction not be readily available

SEC. 201. (a)(1) The first sentence of section 601(a) of the National Defense Education Act of 1958 is amended by striking out "(1)" and by striking out ", and (2) that adequate instruction in such language is not readily available in the United States".

(2) The first sentence of section 601(b) of such Act is amended by striking out "(with respect to which he makes the determination under clause (1) of subsection (a))" and inserting in lieu thereof "(with respect to which he makes the determination under subsection (a))".

Removing 50 per centum ceiling on Federal participation

(b) The third sentence of section 601(a) of such Act is amended by striking out "not more than 50 per centum" and inserting "all or part" in lieu thereof.

Authorizing grants as well as contracts for language and area centers

(c) Section 601(a) of such Act is amended further by inserting "grants to or" after "arrange through" in the first sentence, and by inserting "grant or" before "contract" each time that it appears in the second and third sentences.

Vesting authority for language and area programs in Secretary

(d) Section 601 of such Act is further amended by striking out "Commissioner" each time such term occurs therein and inserting in lieu thereof "Secretary".

Amendments to Strengthen Title XI of the National Defense Education Act of 1958

SEC. 202. Title XI of the National Defense Education Act of 1958 is amended—

(1) by inserting after the title the following: "PART I—GENERAL";

(2) by striking out the word "title" in section 1102 and inserting in lieu thereof the word "part"; and

(3) by adding at the end thereof a new part as follows:

"Part II—International affairs

"International Affairs Institute for Secondary School Teachers

"SEC. 1111. There are authorized to be appropriated $3,500,000 for the fiscal year ending June 30, 1967, and $6,000,000 for the fiscal year ending June 30, 1968, to enable the Commissioner to arrange through contracts with institutions of higher education for the establishment and operation of short term or regular session institutes for teachers in secondary schools in order to give them a broader understanding of international affairs. Any such arrangement may cover the cost of the establishment and operation of the institute with respect to which it is made, including the cost of grants to the staff of travel in the foreign areas, regions, or countries with which the subject matter of the field or fields in which they are or will be working is concerned, and the cost of travel of foreign scholars to enable them to teach or assist in teaching in such institute and the cost of their return, and shall be made on such conditions as the Commissioner finds necessary to carry out the purposes of this section.

"Stipends

"SEC. 1112. The Commissioner is authorized to pay stipends to any individual to study in a program assisted under the provisions of this part upon determining that assisting such individual in such studies will promote the purpose of this part. Stipends under the provisions of this section may in-

clude allowances for dependents and for travel to and from the place of residence."

Amendments to Mutual Educational and Cultural Exchange Act of 1961

SEC. 203. (a) Section 102(b) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2452) is amended (1) by striking the period at the end of clause (9) and substituting a semicolon and the word "and"; and (2) by adding at the end thereof a new clause as follows:

"(10) promoting studies, research, instruction, and other educational activities of citizens and nationals of foreign countries in American schools, colleges, and universities located in the United States by making available to citizens and nationals of less developed friendly foreign countries for exchange for currencies of their respective countries (other than excess foreign currencies), at United States embassies, United States dollars in such amounts as may be necessary to enable such foreign citizens or nationals who are coming temporarily to the United States as students, trainees, teachers, instructors, or professors to meet expenses of the kind described in section 104(e)(1) of this Act."

(b) Section 104 of the Mutual Educational and Cultural Exchange Act of 1961 is amended by adding at the end thereof a new subsection as follows:

"(g)(1) For the purpose of performing functions authorized by section 102(b)(10) of this Act, the President is authorized to establish the exchange rates at which all foreign currencies may be acquired through operations under such section, and shall issue regulations binding upon all embassies with respect to the exchange rates to be applicable in each of the respective countries where currency exchanges are authorized under such section.

"(2) In performing the functions authorized under section 102(b)(10) of this Act, the President shall make suitable arrangements for protecting the interests of the United States Government in connection with the ownership, use, and disposition of all foreign currencies acquired pursuant to exchanges made under such section.

"(3) The total amount of United States dollars acquired by any individual through currency exchanges under the authority of section 102(b)(10) of this Act shall in no event exceed $3,000 during any academic year.

"(4) An individual shall be eligible to exchange foreign currency for United States dollars at United States embassies under section 102(b)(10) of this Act only if he gives satisfactory assurances that (A) he will devote essentially full time to his proposed educational activity in the United States and will maintain good standing in relation to such program; (B) he will return to the country of his citizenship or nationality prior to coming to the United States and will render such public service as is determined acceptable for a period of time determined reasonable and necessary by the government of such country; and (C) he will not apply for an immigrant visa or for permanent residence or for a nonimmigrant visa under the Immigration and Nationality Act after having received any benefits under such section for a period of time equal to the period of study, research, instruction, or other educational activity he performed pursuant to such section.

"(5) As used in section 102(b)(10) of this Act, the term 'excess foreign currencies' means foreign currencies, which if acquired by the United States (A) would be in excess of the normal requirements of departments, agencies, and embassies of the United States for such currencies, as determined by the President, and (B) would be available for the use of the United States Government under applicable agreements with the foreign country concerned."

(c) Section 105 of the Mutual Educational and Cultural Exchange Act of 1961 is amended by adding at the end thereof a new subsection as follows:

"(g) Notwithstanding any other provision of this Act, there are authorized to be appropriated for the purposes of making currency exchanges under section 102(b)(10) of this Act, not to exceed $10,000,000 for the fiscal year ending June 30, 1968, and not to exceed $15,000,000 for the fiscal year ending June 30, 1969.".

Extending the Benefits of the Loan Insurance Program Under Title IV–B of the Higher Education Act of 1965 to Students Studying Abroad

SEC. 204. The second sentence of section 435(a) of the Higher Education Act of 1965 is amended by inserting after "Such term" the following: "includes any institution outside the States which is comparable to an institution described in the preceding sentence and which has been approved by the Commissioner for the purposes of this title, and".

Amending Title VII of the Public Health Service Act So As To Authorize Direct Student Loans To Be Made to Certain Students Studying Outside the United States

SEC. 205. (a)(1)(A) Section 741(g) of the Public Health Service Act is amended by inserting "from a loan fund established" before "under this part".

(B) Section 741(h) of such Act is amended by inserting "from a loan fund established" before "under this part" the first time it appears therein.

(2)(A) So much of the first sentence of section 742(b)(2) of such Act as precedes clause (A) is amended by inserting "(other than the portion thereof available only for purposes of section 746)" before "for that fiscal year".

(B) Clause (B) of such first sentence of section 742(b)(2) is amended by inserting "(other than the portion thereof available only for purposes of section 746)" after "the amounts appropriated".

(b)(1) Section 742(a) of such Act is amended by inserting immediately before the last sentence thereof the following new sentence: "Of the sums appropriated under this subsection for the fiscal year ending June 30, 1967, or for any fiscal year thereafter, an amount equal to 5 per centum of such sums shall be available only for the purpose of making loans under section 746."

(2) The last sentence of section 742(a) of such Act is amended by striking out "Sums" and inserting in lieu thereof "Except as is otherwise provided by the preceding sentence, sums".

(c) Title VII of the Public Health Service Act is amended by adding after section 745 the following:

"Direct Loans to Students in Foreign Schools

"SEC. 746. (a)(1) From the sums made available under section 742(a), the Secretary of Health, Education, and Welfare is authorized to make direct loans to students who are citizens of the United States and who are pursuing a full-time course of study, at a school of medicine, osteopathy, dentistry, or optometry which is located outside the United States and which is approved by the Secretary, which course of study leads to a degree of doctor of medicine, doctor of dentistry or an equivalent degree, doctor of osteopathy, or doctor of optometry or an equivalent degree.

"(2) The Secretary shall not approve any school for purposes of this section unless he determines that such school offers training of a type and quality substantially similar to that offered by similar schools in the United States which are accredited as provided in section 721(b)(1)(B).

"(b) Such loans shall, to the extent feasible, be made on the same terms and conditions as are required with respect to loans made to students from loan funds established under this part."

PRIVILEGE OF THE FLOOR

Mr. MORSE. Mr. President, I ask unanimous consent that during the course of Calendar No. 1684, H.R. 14643, the International Education Act of 1966, that all staff members of the Senate Committee on Labor and Public Welfare, both majority and minority, be permitted to be in the Chamber to assist Members during the course of the debate.

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

Mr. MORSE. Mr. President, today we open debate on the third major administration education bill of the 2d session of the 89th Congress. Not too many years ago, those of us who served on the Senate Committee on Labor and Public Welfare deemed ourselves fortunate if we could bring to the floor of the Senate one bill every 2 years in the field of education.

Fortunately, under Presidents Kennedy and Johnson the conscience of the country in matters educational has worked legislative miracles, and so we have been able, step by step, to advance down the road to our educational objective and goal, which is that every American child shall have an opportunity through the best education we can provide to develop to the optimum his innate talents and capabilities, and in so doing become a productive and useful citizen.

H.R. 14643 is entitled "An act to provide for the strengthening of American educational resources for international studies and research," and it will be, I trust, cited in the statute books as the International Education Act of 1966.

This is true. However, it is far more important for each of us as we vote upon the provisions of this bill today to realize that what is proposed is a strengthening of the graduate studies and undergraduate curriculums of American universities. This strengthening and this development is designated primarily to educate and train the American student, no matter where he receives his education, whether it be in a great university in the heart of the great metropolitan areas of this country, whether it be in one of the great land-grant institutions which remain as enduring monuments to Senator Morrill and President Lincoln, or whether it be in the small privately supported 4-year institutions, or in the junior and community colleges.

Through amendments made by the committee through the addition, in title XI of the National Defense Education Act, of institutes for secondary school teachers in the field of international relations, we are helping also to improve the quality of education at the secondary school level.

The Subcommittee on Education of the Senate Committee on Labor and Public Welfare took testimony on S. 2874 and H.R. 14643 on August 17 and 19 and September 19, 1966. The more than 600 pages of that testimony are printed in our hearings record. In addition to the

administration witnesses, the subcommittee heard from leaders in American education, graduate, undergraduate, 4-year and 2-year schools, and as well from leaders of private nonprofit associations having a special interest in the field, such as the Foreign Policy Association, the Executive Secretary of the National Education Association, and the legislative representative of the American Federation of Teachers. Material prepared by Education and World Affairs, a nonprofit educational organization supported by the Ford and the Carnegie Foundations was reviewed as well as were the communications from prominent business executives. such as our former colleague from Connecticut, Bill Benton, now chairman of the Board of Encyclopaedia Britannica, and Mr. Edward E. Booher, president of McGraw-Hill Book Co., Inc., of New York.

The testimony was carefully considered and weighed in our subcommittee sessions, and many of the suggestions which were given to the committee in the testimony of the witnesses were subsequently incorporated into the proposed statute.

In opening debate on this bill, I ask unanimous consent that there appear at this point in my remarks the testimony beginning on page 55 of our hearings through the top of page 56, in which Secretary Gardner laid the background for the administration brief on the bill.

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

Secretary GARDNER. I am pleased to have this opportunity to discuss the proposed International Education Act of 1966 contained in two related bills, H.R. 14643, passed by the House of Representatives, and S. 2874, introduced by the distinguished chairman of this subcommittee.

NEED FOR INTERNATIONAL EDUCATION

In my view, this legislation addresses itself to the most serious challenge of our time—the task of understanding and coping with a world torn by conflict. Given the crucial role our Nation has come to play in the affairs of the world, we can no longer afford to be ignorant of the processes that are shaping that world.

Modern technology, especially in transportation and communication, has made everyone next door neighbors. What our neighbors do affects us and what we do affects them. In a world whose capacity for destruction constantly challenges its capacity to understand, it is imperative that we play our part wisely. For this we need not only highly trained people to serve overseas in private and public capacities, but, just as importantly, a citizenry that is broadly educated in the history and culture of other countries and is aware of the complexities of our international role. And above all we need to pursue the kinds of peaceful and constructive collaboration with other nations that will strengthen mutual understanding.

PRESIDENTIAL MESSAGE

No activity serves all of these purposes more effectively than the activity broadly described as international education. It is in this context that President Johnson proposed to expand our national efforts in the area of international education. In his Message on International Education and Health he said:

"We would be shortsighted to confine our vision to this Nation's shorelines. The same rewards we count at home will flow from sharing in a worldwide effort to rid mankind of the slavery of ignorance . . . Education lies at the heart of every nation's hopes and purposes. It must be at the heart of our international relations."

Among the several proposals which the President called for in his February 2d message is the bill which you are presently considering.

The International Education Act is not an overseas assistance program. Rather, it seeks to strengthen and develop the American educational institutions which must provide the resource base of talent and knowledge for our efforts abroad and for public enlightenment at home.

EDUCATIONAL INSTITUTIONS AND FEDERAL GOVERNMENT

In shaping the legislation we were mindful of the traditional relationship between our educational institutions and the Federal Government. Our educational institutions are strong only in the degree that they are independent. They serve the Nation best when they serve the high purposes for which they were created.

In my own writings I have often stressed the need for our universities to maintain their independence of the Federal Government. I sincerely believe that the provisions of this act are such that the integrity and autonomy of our universities will be preserved and strengthened. Too often in the past, the Federal Government has asked the universities to take on international activities through a pattern of ad hoc services and contracts that sometimes diverted these institutions into tasks that were not integral parts of their long-range development.

Mr. MORSE. Mr. President, I recommend to Senators the committee report on the bill which contains the background of the legislation, the committee comments, and a section-by-section analysis of the bill.

Mr. President, the subcommittee in its executive sessions reviewed carefully the language of the House bill and accepted without change the findings and declaration of purpose.

No changes were made in section 101, which confers authority to establish centers for advanced international studies in institutions of higher education or combinations of such institutions. These graduate centers of excellence, in our view, when they become operational should develop into a great and productive national resource for this country.

In a similar fashion, the subcommittee reviewed carefully the proposals contained in section 102. The only major change made by the subcommittee was to add to the listing of purposes for which grants may be made to institutions to help them in planning, developing, and carrying out comprehensive programs designed to strengthen and improve undergraduate institution in international studies, was the addition to the six purposes of the House bill a seventh permitting the establishment of programs of English language training for foreign teachers, scholars, and students. I wish to pay tribute to the ranking minority member of my subcommittee, the distinguished Senator from Vermont [Mr. PROUTY], whose contribution to the bill in this particular was especially marked.

However, in section 103, in order to assure that the principles of academic freedom in the broadest sense could be upheld, the committee added to the usual proviso that the Secretary may utilize the services and facilities of any agency of the Federal Government and of any public or nonprofit agency or institution. It added a clause that this authority could be exercised only after the written agreements between the Secretary and the agency or institution had been published in full in the Federal Register. This proviso formalized the agreements reached between the members of the subcommittee and the Secretary of Health, Education, and Welfare and between the subcommittee and the Assistant Secretary of State for Education, that this program would not be used in a clandestine fashion by any agency of the U.S. Government.

Further, the committee, again acting upon the advice of and with the consent of the witnesses representing the academic community, in section 104 added two provisos to the usual language prohibiting any department, agency, official, or employee of the United States from exercising any direct supervision or control over the curriculum, program of instruction, administration, or personnel of any educational institution, language providing that the same prohibition lies against any attempt by the Government to exercise any control over the selection of library resources or over the content of any material developed or published under any program assisted pursuant to the act.

Mr. President, I digress to say that this RECORD, so far as the legislative history of this bill is concerned, should clearly show that earlier there was a great concern made manifest within our committee, within the Senate, and within the Congress. It was a concern about the need to place clear checks upon the agencies of the Federal Government, to wit, in this case, the Department of Health, Education, and Welfare, the Department of State, and also the Foreign Aid Administration, depending upon to what extent in the future any administration may transfer to the Foreign Aid Administration responsibility for establishing administrative policies or conducting programs in the field of international education.

The great concern was that the legislation make perfectly clear our intent that the determination of educational policy be at the local level and not the Federal level.

Mr. President, I have stood at this desk now for several years pledging to the people of this country that the use of American taxpayers' money for aid to education will not in any way encroach upon local control of educational policy in this Republic. I am not going to walk out on that pledge. I shall not support legislation that does not have written into it clear guarantees to this effect. As the members of the committee know, we had long discussions about this point in committee. Concern was expressed whether or not this particular bill for particular reasons might be a particular vehicle leading to an encroachment upon the determination of educational policy by the institutions of learning in this country, and by the various research foundations, professional associations,

and representative councils that deal with matters of education. That is why we have these restrictions written into the bill.

I always make a full report to the Senate in regard to any background material of which I am aware which may have influenced in any way the legislation that I am managing. Our concern is not shared by either the State Department or the Department of Health, Education, and Welfare. The fact that it is not shared by them, in my judgment, is all the more justification for restrictions being placed in the bill. Without those restrictions, in my judgment, the bill would not be on the floor of the Senate for consideration at this moment.

It is when we come to section 105, the authorization of appropriations, for the program, that the Senate version of the bill differs materially from the House passed version of the bill. Under the House version, $10 million was authorized for the purposes of sections 102 and 103. The subcommittee, after searching examination of the Department through a series of questions, which may be found in the hearings record on pages 167–190, and through its questioning of the Department of State, which is printed in the hearing record on pages 212–241, came to the conclusion that the grants program of title I could be better administered were it to start on July 1 next.

The committee, therefore, recommends that only $1 million for this fiscal year be provided, and that this money be used for the purpose of establishing a presidentially appointed Advisory Committee, as set forth in section 106. It will consist of the chairman, who will be the Assistant Secretary of Health, Education, and Welfare for Education, and not more than 15 additional members appointed by the President, a majority of whom—I repeat, a majority of whom—would be broadly representative of the academic community, including professional associates, and private nonprofit agencies in this area, the balance representing the public interest and being individuals who are experienced in foreign affairs.

The committee vested with the National Advisory Committee important functions. Collectively, they are to advise the Secretary on the initiation of this new program and to formalize their recommendations in an initial report to the President and to the Congress by April 30, 1967.

It is the expectation of the committee that the report will carry specific recommendations for the allocation of the $40 million to be expended in fiscal year 1968.

Since the National Advisory Committee is also a continuing body, it is further charged with the responsibility of reporting annually on January 31 of each year upon the progress of the program and the annual reports will also carry specific recommendations for funding and for changes in the authorizing legislation which, in the view of the Advisory Committee, should receive the careful consideration of the Congress in the further extension of the legislation.

To assist the Advisory Committee in its operations and in the preparation of its reports, the subcommittee has authorized it to appoint such professional and technical personnel as may be found necessary by it to carry out its functions.

The net effect of these changes in the Senate committee version of the bill will be as follows:

First, the initial report, which is received 60 days before the start of the grant program for fiscal year 1968, will enable the committee to review the proposed operations, so that such changes as may seem desirable to the Congress may be effected prior to the start of the program.

Second, the careful planning and the time provided for planning, should enable the program to start smoothly with many conflicting claims reconciled.

Third, it should provide to the academic community a full opportunity to be adequately consulted before the programs become permanently established.

Fourth, it will be a pledge to American education through the procedures outlined, that the Federal Government in fact does not seek to exercise control over the operations of higher education in this country, but rather, that it seeks to help institutions of higher education, through the provision of financial assistance, to do a better job for their students in this exceedingly important subject matter area.

H.R. 14643, in the Senate committee version, is divided into two titles. So far I have been speaking of title I, the grant programs for advanced and undergraduate international studies.

I turn now to title II of the bill, which contains amendments to other laws which bear upon the program as set forth in title I. Mr. President, I ask unanimous consent to have printed in the RECORD that portion of the committee report under the heading, "Title II and Title II Amendments."

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

TITLE II

Title II of H.R. 14643 consists of amendments made to other statutes related to the International Education Act.

Section 201 broadens and strengthens title VI of the National Defense Education Act of 1958 by removing the requirement in existing law that precludes instruction in languages such as French, German, Spanish, and Italian. The section also authorizes grants as well as contracts for language and area centers and, finally, it vests the authority for carrying out the language and area programs of title VI with the Secretary of Health, Education, and Welfare instead of the Commissioner of Education.

Section 202 broadens the institute coverage of title XI of the National Defense Education Act of 1958 by providing for international affairs institutes for secondary school teachers and authorizing the appropriations for fiscal year 1967 of $3.5 million and for fiscal year 1968 of $6 million.

Section 203 modifies the Mutual Educational and Cultural Exchange Act of 1961 to permit foreign students from less developed countries, where the United States does not have a surplus of local funds, to exchange their currencies for U.S. dollars to finance their study in the United States. The committee placed a limitation on U.S. currency of not to exceed $10 million for fiscal year 1968 and not to exceed $15 million for fiscal year 1969, and a limitation of not more than $3,000 in any one academic year for any one student.

Section 204 extends the benefits of the loan insurance program provided under title IV–B of the Higher Education Act of 1965 to American students studying abroad.

Section 205 amends title VII of the Public Health Service Act to authorize direct student loans (to the extent of 5 percent of the amounts appropriated) to be made to American students who are preparing themselves for work in the health professions through study in foreign schools.

* * * * *

TITLE II AMENDMENTS

The committee, in this title, has added several new sections to this legislation as introduced each modifying existing legislation as set forth below.

The committee has added language in section 201 vesting authority for the administration of title VI of the National Defense Education Act language and area centers in the Secretary of Health, Education, and Welfare rather than the Commissioner of Education. This change was recommended by the Secretary during the opening day of testimony on the legislation and is designed simply to combine the planning and operation of these NDEA language and area programs with the two new programs created in title I of this legislation. The committee feels, as the Secretary has stated, this would enable those making the decision on grants to consider both the total needs and the range of possibilities available in international education to U.S. institutions.

The committee has also added a new section 202 which amends title XI of the National Defense Education Act to authorize the Commissioner of Education to arrange for institutes in international affairs for teachers in secondary schools. These institutes would be patterned after the successful existing institutes of that title in other subject matter areas which have proven to be of great value to secondary school teachers in this country. The committee in making this recommendation took note of the testimony of Dr. Carr of the National Education Association on page 399 of the hearings and the support given to it on page 468 by the president of the Foreign Policy Association.

Dr. Carr advised:

"Highly trained scholarly leadership in international studies should be made available more abundantly to the education of those teachers who serve in the elementary and secondary schools."

President Samuel Hayes testified:

"Because perhaps half of our present high school population will not go on to college, we believe it is especially important to provide their present teachers with greatly expanded opportunity for in-service training in international affairs. Unless the teaching improves, most future citizens will continue to lack any adequate introduction to world affairs."

To carry out the purposes of this amendment, the committee recommends a separate authorization of $3.5 million for fiscal year 1967 and $6 million for fiscal year 1968. The modified title XI, NDEA, would hereafter contain authorizations totaling $53.5 million for fiscal year 1967 and $56 million for fiscal year 1968.

Three additional amendments were made to existing legislation.

A new section 203 was added to H.R. 14643 to amend the section 102(b) of the Mutual Educational and Cultural Exchange Act of 1961 to allow certain foreign students wishing to study in the United States an opportunity to exchange their currencies for United States dollars at U.S. embassies. It would supplement the educational exchange

program under the Mutual Educational and Cultural Exchange Act of 1961 (the Fulbright-Hays Act) which presently brings between 5,000 and 6,000 students into this country annually on a scholarship basis.

Under section 203, U.S. funds would not be used to finance the education of these foreign students but would be employed to the maximum feasible extent to enable them to exchange their foreign currency for dollars so that they might be able to finance their own education.

An exchange limit of $3,000 annually is set for each student which is generally in line with the estimated average cost of $2,600 for a school year in a nonpublic U.S. college or university. For the first year, up to $10 million of U.S. currency would be made available and up to $15 million for the second year. Thus, an estimated 3,300 students could benefit from the program the first year and 5,000 the second year. In comparison with many other countries where foreign students make up a large percentage of the entire student enrollment (France, 13 percent; Canada, 6.4 percent; and Switzerland, 32.5 percent, for example) the United States has a relatively small foreign student population (only 2 percent of total enrollment). This provision looks to increasing that amount.

In providing this new authority the committee wishes to make it clear that decisions as to the amount of such foreign currencies which would be made available are decisions to be taken by the foreign government. The foreign government thus has control over both the granting of exit permits to the students wishing to study in this country and the amounts that they may bring with them.

Further, it is the committee recommendation that in the administration of this program the student be required to spend, upon his return to his native land, a period of time equivalent to the time of his training (including, in the case of medical students, time spent in residency) in this country, in public service, as defined by the government of his country.

Section 12 would extend the benefits of the guaranteed loan insurance program of title IV–B of the Higher Education Act of 1965, Public Law 89–329, and the direct student loan program of title VII of the Public Health Service Act to American students who study abroad.

Only American students studying within the United States may now obtain guaranteed student loans under the program enacted last year. This amendment would extend this benefit to Americans studying abroad.

Under the Health Professions Education Assistance Act, American medical, osteopathic, dental, and optometric students may obtain direct loans from HEW of up to $2,500 annually. This amendment would extend this to Americans studying abroad.

The Nation is short some 50,000 doctors today. Even with expanded medical schools in this country, the shortage will still be 50,000 in 1970 due to population increases and medicare. A foreign medical education does meet U.S. standards as illustrated by the fact that some 1,600 foreign-educated foreign doctors are "imported" each year and the large number of foreign-educated interns and residents in U.S. hospitals.

GENERAL COMMENT

The GI bills of World War II, Korean war, and cold war all extend their benefits to eligible veterans studying abroad. Most recently, during the hearings on the cold war GI bill, the administration at no time objected to the continuation of this practice nor was there any testimony from any source indicating any opposition or negative evidence concerning it. Thus, for a generation (since World War II) this concept has operated successfully.

The authority granted to the Secretary under this section to approve courses of medical study abroad is not intended to establish a precedent with respect to accreditation of institutions of higher education. This provision is necessary because of the unique nature of study in foreign institutions. However, the committee expects, that in exercising this authority, the Secretary will consult with appropriate professional and accrediting groups within the United States.

Mr. MORSE. Mr. President, section 201, as has been set forth, broadens the application of the existing title VI of the National Defense Education Act in three ways:

First. It will permit language and area centers to be established in languages such as German, Spanish, French, and Italian, which are not now authorized. In doing this, the committee did not ask that the authorization for title VI be increased because of the assurances that existing programs could be carried on without diminution, and that the administration would prefer to bring to the Congress next session further funding recommendations.

Second. Title VI was broadened additionally through language permitting grants as well as contracts to be awarded for language and area centers.

Third. This program which heretofore has operated under the Commissioner of Education, as part of the new program of international studies will be transferred to the Secretary of Health, Education, and Welfare. The program henceforth will operate as part of the new Center for Educational Cooperation which has been established in the Department.

At this point in my remarks, Mr. President, for the purpose of legislative history, I think it important to stress that in providing $1 million to fund the operations and reports of the National Advisory Committee for this fiscal year, the committee indicated, as shown in the committee report under the heading "Costs of the bill," that it believes that funding for the necessary preparatory activities in the Office of the Secretary in connection with the International Education Act between now and July 1, 1967 should be provided by the Appropriations Committee to permit the Secretary to meet the personnel and related costs of organizing the Center for Educational Cooperation, which is to be established in the Department of Health, Education, and Welfare to administer the provisions of this act, as well as other functions assigned to it by Executive order or by the Congress, and that this funding should include support for special activities designed to assist the Department in the overall planning effort in fiscal year 1967 with particular reference to the use of planning expenses of seminars, conferences, contractual services, and other planning activities necessary to secure widespread participation of representatives of colleges and universities in the program for fiscal year 1968.

It was, however, the feeling of the committee that money for these activities should not be diverted from the $1 million authorization for the Advisory Committee. Rather, it was our hope that the administration would submit estimates to be incorporated in the supplemental appropriations bill of this session to carry on this necessary program.

The subcommittee also took note of testimony of many witnesses, particularly, as shown in the report, of that of the National Education Association and the Foreign Policy Association, inspecting the need for improving the quality of instruction in international affairs in our secondary schools. For that reason in section 202 it proposes that title XI of the National Defense Education Act be amended to include provision for international affairs institutes for secondary school teachers. To fund these new institutes it is recommended that $3.5 million be authorized for appropriation for fiscal year 1967 and $6 million for fiscal year 1968.

Section 203 of title II contains amendments to the Mutual Educational and Cultural Exchange Act of 1961. Since these amendments, I feel sure, will be discussed by the ranking minority member of the Senate Committee on Labor and Public Welfare, I shall at this time ask unanimous consent to have printed in the RECORD that portion of the section-by-section analysis of the report, together with committee comment on section 203.

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

Sections 204 and 205 would extend the benefits of the guaranteed loan insurance program of title IV–B of the Higher Education Act of 1965, Public Law 89–329, and the direct student loan program of title VII of the Public Health Service Act to American students who study abroad.

Only American students studying within the United States may now obtain guaranteed student loans under the program enacted last year. This amendment would extend this benefit to Americans studying abroad.

Under the Health Professions Education Assistance Act, American medical, osteopathic, dental, and optometric students may obtain direct loans from HEW of up to $2,500 annually. This amendment would extend this to Americans studying abroad.

The Nation is short some 50,000 doctors today. Even with expanded medical schools in this country, the shortage will still be 50,000 in 1970 due to population increases and medicare. A foreign medical education does meet U.S. standards as illustrated by the fact that some 1,600 foreign-educated foreign doctors are "imported" each year and the large number of foreign-educated interns and residents in U.S. hospitals.

* * * * *

Mr. MORSE. Mr. President, the committee, as is shown in the report, also is recommending in section 204 of the bill that title IV–B of the Higher Education Act of 1965 be amended to permit guaranteed loan coverage to be given to American students who are studying in institutions of higher education outside the United States.

Finally, Mr. President, in section 205, the committee recommends that title VII of the Public Health Service Act be amended so as to authorize direct student loans to be made to certain students studying outside the United States.

Mr. President, I have placed references to the committee report in the RECORD at a number of places for future refer-

ence, to show, no matter in what forum, legislative, executive, or judicial, that the committee stands on those comments and makes them a part of the legislative history of this bill, setting forth the legislative intent of the committee.

I feel sure that these amendments will also be discussed by the ranking minority member of the full committee, the distinguished senior Senator from New York [Mr. JAVITS], whose contribution in this part of the bill I gratefully acknowledge. I acknowledge also the fact, that as I acted as chairman of the subcommittee and served as acting chairman of the full committee while this legislation was under consideration, but for the wholehearted cooperation of the Senator from New York [Mr. JAVITS], the Senator from Vermont [Mr. PROUTY], and the Senator from Colorado [Mr. DOMINICK], this bill would not be on the floor at this moment. To the other Republican members of the full committee I extend once more my thanks for the help and consideration they have always given to education legislation.

As the record shows, they sometimes offer amendments in committee with which I find myself in disagreement, but they are always given assurance that I would expect them to offer amendments on the floor of the Senate if they wish to. Sometimes they have done it. Sometimes the Senate, in working its will, has supported them, and sometimes not. But the important thing is that the Senator from New York [Mr. JAVITS], the Senator from Vermont [Mr. PROUTY], and the Senator from Colorado [Mr. DOMINICK], when we have finished our discussions and the votes on the various amendments have been taken, have always stood shoulder to shoulder with me on the legislation itself for final passage, and I have every reason to believe they will on this bill.

Mr. President, this concludes my opening statement on H.R. 14643. The bill is brought to the floor unanimously from the committee. There are no minority views, and it is recommended with the Senate safeguards which have been placed in it to Senators for their consideration, and, I hope, favorable votes.

Mr. JAVITS. Mr. President, first let me thank the Senator from Oregon [Mr. MORSE] for the fine things he had to say about the minority. I am the ranking member on the minority side and am only as effective as my colleagues will allow me to be. I know the Senator from Oregon [Mr. MORSE] will agree with that statement. With due allowance for differences in ideology, and so forth, there has been a strong effort to accommodate not just my view but the views of my colleagues, and it has resulted in the minority trying to meet the views of the majority where it can.

Specifically with respect to the bill, I approve of it. It is a meritorious bill. It is required to meet the growing national need for expertise in international affairs. A greater number of students, teachers, businessmen, professional people, and Government officials must be well prepared to deal with the growing challenges and opportunities in the international field. We must be prepared to deal with the problems of foreign policy in every area of our productivity and activity in world affairs. The increasing responsibilities inherent in the United States, as the single most powerful Nation and in its free world leadership and our activities as partners and members of regional organizations, including the United Nations and other organizations in almost every field, require a massive educational effort to improve the quality and expand the scope of international affairs studies in this country.

I am pleased with the bill before us. I introduced S. 2037 in May of last year, and I sought ardently to get action on it. However, the Department of Health, Education, and Welfare, while it supported it, indicated it was the intention of the administration to seek a comprehensive international education program in 1966, of which, the Department assured me, my proposals would be a part. This has come true, and I am deeply gratified.

If the Senator from Oregon [Mr. MORSE] had not come up with the present formulation of the program as now set forth in H.R. 14643, which he has described so very well to the Senate, we would not be here at all with this bill. It was only because he and his committee came up with this formulation, to which he has referred, that it has come before us.

AMERICAN STUDENTS ABROAD

Now to deal with the specific amendments.

Section 204 which extends the benefits of the loan insurance program provided under part B of title IV of the Higher Education Act of 1965 to American students abroad seems to me only logical, because the present law provides that only students studying within the United States may obtain guaranteed student loans. Since this would be an arrangement between the banks and the students, the parties will be able to take care of it for themselves, and there should not be any difficulties in it.

In my own State of New York, the State-guaranteed loan program extends to New Yorkers attending foreign colleges. We have had no difficulties with its administration. I anticipate there will be no difficulties if this particular provision becomes law.

My other amendment to which I refer, section 205, applies to direct loans to health profession students studying in foreign colleges, such as medical, osteopathic, dental, and optometric. It would extend to them the same benefits provided to students studying in this country under the Health Professions Education Assistance Act. I point out that this program would apply to the 12 percent of U.S. medical students attending foreign colleges.

The Nation is short some 50,000 doctors today. Even with the expanded medical schools in this country, it is estimated that the shortage will still be 50,000 in 1970, due principally to demands for medical attention, the medicare program, and population growth. We cannot meet the demand for students in this country even with the expanded medical schools we have provided for in other legislation.

A foreign medical education does meet U.S. standards. Some 12 percent of all American medical students are attending foreign colleges. In addition, some 1,600 foreign-educated foreign doctors come into this country every year to practice, as well as foreign-educated interns and residents who are used very extensively in U.S. hospitals. They are needed to meet our needs. Therefore, I think the provision is highly merited.

One part of the bill with which we were concerned was the approval of foreign schools by the Secretary. Here again, there would be no difficulty in that respect. The World Health Organization publishes a directory of medical schools in each nation throughout the world, and this directory could serve as a source of eligible schools. In addition, the list of schools could be further refined by referring to those institutions which the States of this country recognize in approving medical graduates to practice under their own laws and regulations.

I conclude my comments on sections 204 and 205 as follows: The GI bills of World War II, the Korean war, and the cold war all extend benefits to eligible veterans studying abroad. No question was raised as to the most recently enacted bill, the cold war GI bill. Therefore, for a generation since World War II, this concept has operated successfully. These amendments are a logical extension of it.

TITLE XI, NDEA

Next, I briefly refer to my amendment to title XI of the National Defense Education Act, section 202 of the bill. This section provides institutes in international affairs for secondary school teachers. Since it is adequately and fully explained in the committee report, I shall not dwell on it further here.

CURRENCY EXCHANGE PROGRAM

I come to the final amendment, the so-called currency exchange program, in which we give an opportunity to have foreign students chosen by their own governments whom their governments wish to sponsor—but for whom that foreign government cannot spare the foreign exchange, U.S. dollars—to have the student come to study here. So the United States uses its own currency dollars, in swap for the other currency enabling the foreign student or his government to pay for his American education. This arrangement is confined only to those developing countries where there is not a situation of our having an excess amount of the local currency materially above our needs in that country.

Mr. President, section 203, to which I have been referring, would apply to all friendly Latin American countries—excluding, obviously, Cuba—and all developing Asian and African nations, except the following, where we do have a surplus of local currencies: Burma, Ceylon, the Republic of the Congo, Guinea, India, Israel, Pakistan, Tunisia, and the United Arab Republic.

That still leaves an enormous area for the operation of this section, and the

automaticity of it, Mr. President, is attested to by the fact that the Treasury Department advised us that no appropriation is necessary, as there is a sufficient balance in local currencies, which the disbursing officer of the local Embassy can use as well as dollars in that country.

However, the committee, I think in a wise exercise of discretion, left the authorization provision in the bill lest, for some untoward reason, it should not work exactly that way. Of course, whatever exceptions there are will have to be justified to the Appropriations Committees of Congress, which would have ultimate authority to review and pass on the matter.

We have provided a very strict limitation of $3,000 annually per student, based on the average cost of studying in a U.S. college or university of $2,600 a year. We have limited the total amounts involved in the exchange program to $10 million the first year and $15 million the second. Again the Treasury assures us that no appropriation will be required. If it is, we have taken care of that contingency.

Finally, Mr. President, the committee itself wrote into the amendment what I consider to be a most admirable provision, based on the work of the distinguished Senator from Minnesota [Mr. MONDALE], on the subject which he called the "brain drain." I think he has rendered a distinct contribution to our Nation in the specialized attention he has given to that question. It dictated to us a very desirable amendment bearing, we thought, great relevance to international education.

The foreign students contribute, through their presence in a large number of colleges and universities in this country and their contact with the student bodies, the finest kind of international education possible. What could be a better means of promoting international understanding and good will in terms of language, culture, background, and the knowledge of their particular lands, than to have those young people here, studying with young Americans?

But the committee felt that if we were to conduct this program, as a kind of Fulbright program in reverse—and I think we all agree that it makes a lot of sense—we wanted to guarantee to those countries that they would get something out of the people whom they would send to study here.

So we left it completely in the power of the foreign government concerned—which has control over the exiting student in three respects: First, an exit permit or whatever is required to leave the country; second, it is a party to the agreement by which dollars are made available in lieu of local currencies; and third, and very important, we have provided specifically that the returning student must spend, upon his return to his native land, a period of time at least equivalent to the time of his training—including, in the case of medical students, time spent in residency in the United States—in public service in his home country, the nature of the public service to be prescribed by his home government.

This is a unique provision, I might state to the Senator from Minnesota [Mr. MONDALE], and it was very heavily influenced by the train of thought which he has set in motion in his studies, as their results have been stated on the floor.

I should like, in connection with my own presentation, to call attention to Senator MONDALE's speeches on August 31, 1966, which appears in the RECORD at pages 21477–21480, and on September 9, 1966, at pages 22180–22192.

So his work is having an effect, and here is a provision in our bill directly related to it.

Mr. President, I join the Senator from Oregon [Mr. MORSE] in commending the bill to the Senate. I am especially proud of what we did with this exchange idea, which, as I have stated, represents the very best kind of international education for our own students, by bringing people here to study with them; and I am gratified that it apparently can be done in a very intelligent way for the eligible countries, without the requirement of any appropriations. That pleases me very much, because I realize the strong limitations which we wish to place upon new areas of expenditure of money.

I hope very much, therefore, that the Senate will approve the bill today, and that we may move into the next stage of conference, if need be, or, preferably, that the House may accept the measure, and that it may soon become law.

I thank the Senator.

Mr. MORSE. Mr. President, I understand that the Senator from Minnesota has an amendment.

Mr. MONDALE. Mr. President, I send to the desk an amendment, and ask unanimous consent that its reading be dispensed with.

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

Mr. MONDALE. I also ask unanimous consent that my amendment be printed at this point in the RECORD.

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

The amendment of Mr. MONDALE is as follows:

At the end of the bill add the following new title:

"TITLE III. STUDY BY THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE

"Authorization for a study on ways to reduce the drain from developing countries of professional persons and skilled specialists whose skills are urgently needed

"SEC. 301. (a) The Secretary of Health, Education and Welfare shall conduct a study and investigation to determine (1) the total number of individuals who enter the United States from developing countries annually to further their education, and who remain in the United States; (2) the reasons for their failure to return to their home countries; and (3) means of encouraging the return of such individuals to the countries of their last residence or nationality, so they may put their eduaction and training to work in the service of their homelands.

"(b) The Secretary of Health, Education and Welfare shall report to the President and to the Congress as soon as practicable on his findings and conclusions together with such recommendations for any legislation he deems desirable to encourage the return of such indiivduals to such countries.

"(c) It is hereby authorized to be appropriated the sum of $50,000.00 for the purpose of carrying out this study."

Mr. MONDALE. Mr. President, I thank the distinguished chairman of the Education Subcommittee, the Senator from Oregon [Mr. MORSE] for his distinguished leadership on the measure before us today. I also wish to express my deep appreciation to the distinguished Senator from New York [Mr. JAVITS] for his very kind comments regarding my proposal, and my efforts to call attention to the brain drain problem in general.

My amendment is short and simple. It would authorize and direct the Secretary of Health, Education, and Welfare to conduct a study of the problem of the brain drain among students from developing countries, and to report back to the Congress on his findings as soon as possible. This study would be expected to provide us the best available information on: first, the numbers and percentages of students from particular developing countries who fail to return to their homelands after studying here; second, the reasons why they do not return; and third, steps that our Government, and our universities, could take to encourage more of them to return and put their education and training here to work in the service of their home countries. An appropriation of $50,000 would be authorized to carry out this study.

In past months, Mr. President, I have grown increasingly concerned about this brain drain from developing countries. I feel that it cancels out much of our effort to help developing countries train the high-level manpower upon which their progress ultimately depends. I know that a growing number of Senators share my concern.

This is a problem which we simply cannot allow to continue, and we can no longer virtually ignore the brain drain when we shape our policies in international education, foreign assistance, and other important fields. For this brain drain is taking, in many cases, what is virtually the life blood of young, underdeveloped countries who desperately need high level manpower to bring progress and hope to their peoples.

It may be inadvertent, but we are in fact robbing these underdeveloped countries of this talent by a combination of policies which encourage them to remain in the United States.

This problem does not arise primarily in our aid program, nor among students who come here under the exchange program. These students are required, save in exceptional cases, to return to their homelands for 2 years before becoming eligible for permanent immigration to the United States. Yet the great majority of foreign students here are not sponsored by the Federal Government, nor part of the exchange program. They come here on their own. Yet their failure to return in large numbers is just as damaging to their countries as any failure to return among those students we directly sponsor.

We know that the brain drain is massive. And we know that many do not return, yet the figures we have vary so widely it is almost ludicrous. For example, we can derive from Immigration and Naturalization Service figures an estimate that about 30 percent of Asian students who come here on so-called "F-visas," as most students do, adjust their status to permanent U.S. resident. By contrast, Dr. James A. Perkins, the distinguished president of Cornell University, cites an estimtae that 90 percent of Asian students who come here do not go back to their countries.

Either way, the loss to their homelands is substantial, but it is difficult to know how to meet this problem if the guesses of its magnitude—and they are little more than guesses—vary by 60 percent.

The Interagency Council on Education and Cultural Affairs of the executive branch has done more research in this area, but its investigations have been largely, though not entirely, limited to students coming on exchange programs. No really comprehensive study has been or is being conducted of the brain drain among students from developing countries generally.

I should point out that this amendment is entirely distinct from a bill which I introduced today, cosponsored by several of my colleagues, to take several concrete beginning steps to reduce the brain drain. This amendment would not commit us to any new policies. It would call on the Secretary of Health, Education, and Welfare, as the man responsible for administering this new international education program, to conduct a study of this major problem of international education, to determine insofar as is possible its magnitude, its causes, and possible ways of dealing with it.

I would be deeply honored if the distinguished senior Senator from Oregon, who has championed the cause of education both nationally and internationally more than any other man in this body, would agree to accept my amendment.

It is a beginning step in what, I am convinced, must be a substantial reassessment of our policies in order to fully recognize and deal with this continuing international crisis.

Under the present circumstances, the United States, with its attractive economic system, the needs of our highly technological society, and our political stability acts as almost an irresistible sponge to mop up the thin layer of qualified and gifted personnel from these desperately poor nations around the world.

I think we must do something about it. This would be a first step.

I do not think there is any problem facing the world today that is more heartbreaking than is the great gap between the rich and poor nations. If these very poor, developing countries are to have a chance to develop and get their economies moving and their governments in order, they must have this assistance to their own trained and gifted manpower.

Mr. MORSE. Mr. President, after I make a few comments on the amendment of the Senator from Minnesota, I shall accept the amendment on behalf of the committee and urge that the Senate agree to it.

I am in complete agreement with the objectives of the amendment.

At the very outset, I must say to the Senate that what the Senator from Minnesota is asking for is a study of the problem, and certainly we ought to have a study of the problem because the problem is a serious one.

This is not the first time that we have discussed this pirating of the able brains from foreign countries through a student exchange program.

This happens, may I say, in the student exchange program, too. Although there is supposed to be a commitment on the part of the student to return after 2 years, there is a surprising number of loopholes in that restriction.

Various devices have been developed so that these foreign students one way or the other find it possible to stay in the United States. That has created a great deal of ill will for us in some of the countries of the world.

I reported to the Senate once before concerning this matter, but because it is so directly related to the legislative history of the Mondale amendment, I want to report it again, but in a very summary fashion.

In 1957 when I went with a Senate delegation to the British Commonwealth Parliamentary Conference in New Delhi, India, at his request I met and had a long conference with the Prime Minister of India, Prime Minister Nehru.

Of the various things that he took up with me in that conference, the thing that concerned him the most, and gave rise to a little pique on his part, were the various devices and subterfuge that we permitted to develop in this country whereby Indian students remained here after they received their degrees, including, in many instances, their graduate Ph. D. degrees.

He said that he was almost ready to prohibit any more Indian students from coming to the United States because he felt that we were not giving to India the cooperation as a Government that we ought to give to India in stopping what he termed as a pirating practice.

That is where I got the term and it is why I am using it in this debate today to make legislative history.

He also told me his concern with an issue which is ancillary to the issue raised by the amendment of the Senator from Minnesota:

> Furthermore, I don't know what you do to our students when you get them there, because those who do come back do not want to go out in the villages of India and serve the people as they should serve them and as is the purpose of their training. We agreed to send them to your country. Most of them want to come back and have me give them new government jobs in New Delhi when we need them in the villages in India.

The present Presiding Officer of the Senate, the Senator from North Dakota [Mr. BURDICK], traveled with me throughout India when we were members of another delegation to Asian countries last fall. He can bear witness that what we need is to have the Indian boys who have been trained in Indian, American, or European universities sent out into the villages of India to bring their expertise based upon their education to the betterment of the Indian people. It makes little sense to bring Indian students here for study only to have them decline to work in the villages of India that need their help, and then have to send our Peace Corps volunteers to do the job.

I think we are indebted to the Senator from Minnesota for putting this problem in an amendment form.

He has proposed an amendment that I will accept, but before I do so, there is another caution that I want to raise as part of the legislative history.

I am for student exchanges. I am for bringing the foreign students here, but I want to raise a signal of warning because I am afraid that this bringing of foreign students here may well have had the effect of replacing assistance in building the educational strength of the countries from which the students come.

Therefore, for legislative history, I wish to make these brief remarks as a background of my views as the chairman of the subcommittee on this whole matter of the problems arising in connection with the foreign student program.

One of the caution signals I would like to raise about this act is the tendency of which the international education program could become part to view international education as something offered by the United States to the people of developing countries, rather than a reciprocal program. It could add to what I think is already a bad situation, wherein we bring foreign students to this country for their education, to the exclusion of helping them build their educational institutions at home.

This act could be of exceptional value in training teachers to staff schools and colleges in the countries we refer to as developing countries, those that do not now have schools in sufficient numbers and adequate quality. But if the act becomes no more than an instrument for educating young people in the United States because they have no opportunity for education at home, then it will contribute to the dependency of these nations upon the West, and will not help them in the long run.

Figures appear in our committee report, showing the larger percentage of foreign students in France, Canada, and Switzerland than in the United States. A true exchange of these students is highly desirable; but if French, American, and other students do not reciprocate by studying abroad in equal numbers and percentages, then we are not, in my opinion, doing these countries any real service. Reserving education opportunities for the mother country has for generations been one of the means of perpetuating a colonial system. I can think of no greater hindrance to the growth and industrial development of a country than compelling its young people to choose between going abroad for education and getting none at all.

I am not talking about the training of specialists, or of those doing postgraduate work. I am talking about the

young people of intelligence suitable to absorb education at the college level, who must be trained in large numbers for business management, engineering, the law, the social sciences, industrial arts, agricultural sciences, and many other fields essential to national growth. In my minority views on the foreign aid program, I set forth my concern about the lack of indigenous educational facilities in the developing countries. I ask unanimous consent to have these portions of my views printed at this point in the RECORD.

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

Education in too many poor countries remains the mark of the privileged. In some, sending sons abroad for degrees from America or Britain is a sine qua non of the upper classes. Too much of our AID education assistance simply accommodates them in this neglect of their total national human resources. Despite the overcrowding of American campuses with American students, we continue to jam foreign students into them instead of concentrating on building education centers in their home countries.

We are also neglecting in our aid programs the basic education that we would call elementary and secondary. Figures for the Alliance for Progress, which is the most purely development program of any we have, show a distressing lack of emphasis on education.

Alliance for Progress breakdown of total fiscal year 1966 technical cooperation funds

	Amount (thousands)	Percent
Basic education	$8,741	10.8
Technical training in industry and agriculture	6,012	7.7
Natural resources development-land reform	[1] 4,369	5.6
Other	59,148	75.9
Total	[2] 78,000	100.0

[1] Natural resources development including land reform as shown above is restricted to natural resource surveys, forest management, land settlement, agrarian reform, and related activities. Excluded are overall agricultural productivity programs such as agricultural extension, crop research and development, cooperatives development, rural community development, agricultural marketing, agricultural diversification, etc. If the category of natural resources development is expanded to include all food and agricultural activities, including technical training in agriculture, the total TC funds would be 13,629 and the percentage would be 17.4.

[2] Total of $78,000,000 excludes $10,000,000 for Alliance for Progress share of nonregional costs.

Breakdown of total fiscal year 1966 development loan program funds

	Amount (thousands)	Percent
Basic education	$3.2	(1)
Technical training in industry and agriculture		
Natural resources development-land reform	[2] 111.4	22
Commodity imports (nonproject)	305.0	[3] 62
Other	73.5	15
Total	493.1	100

[1] Less than 1 percent.

[2] Includes loans for supervised agricultural credit; livestock, agricultural, and mining banks; access roads fertilizer imports; and related activities.

[3] Local currency counterpart also programed in many cases for education, agriculture, and other natural resources development.

The use to which proceeds of nonproject, or program, loans are put are not included in the above table. But the breakdown of the proceeds from program loans to Chile shows that about 9 percent of the 1963 loan went for education, about 5 percent of the 1964 loan, and about 16 percent of the 1965 loan. This is a meager allotment relative to need.

Although Chile has a high literacy rate relative to other South American countries, 40 percent of its total population is under 15 years of age. Literacy rates in many of these countries experiencing a population explosion will not even be maintained, much less reduced, unless faster progress is made to expand teaching facilities.

Education is perhaps the most important key to the development of poor nations. It cannot be forced on them; it cannot be financed by the United States on our say-so and without their enthusiastic cooperation.

Unless recipients move much faster and further in this field, they will never achieve sufficient productive capacity of their own to sustain growth or repay our loans.

Mr. MORSE. Mr. President, we could greatly improve the foreign aid program of this country. May I say to this administration that you might get support from some of us who have been voting against foreign aid—and will continue to vote against foreign aid until you reform it—if you meet just such problems as I am raising in connection with this international education bill. Then you will begin to get support from some of us who think the way foreign aid is operating is quite different from the major purposes that this administration and the past administrations have attributed to it.

One thing that we should be doing is taking hold of this foreign educational need in the countries concerned. Let me say that the two best ways of meeting the threat of communism around the world are with bread and literacy—that is, by doing something to improve the economic standard of living of the masses of people who are presently the prey of the Communists—because we offer them no hope with our bullets. We offer them no hope by building up their military oligarchies, because their military oligarchies make Communists by the hundreds of thousands in these underdeveloped countries.

We can meet the threat of communism in these areas much better by exporting bread, not bullets, and by exporting literacy, not ignorance.

That is why I am so glad to join in this legislative history this afternoon, by saying that we should take a look at our shortcomings in helping these underdeveloped countries develop their own schools, their own teachers, their own educational facilities. The student exchange program is a vital program, in my judgment, in helping to do that. But it will not do it alone. Moreover, we should take a look at the problem the Mondale amendment deals with, and have the study prepared that it proposes, so that next year I will not have to make the comments that I have just made about the shortcomings of American educational policy abroad.

My hope, Mr. President, is that insofar as this act pertains to the problem, it will be our purpose, in its administration, to alleviate educational deficiencies of other countries, and not to contribute to them.

Mr. President, I am willing to accept the amendment and take it to conference, and I ask the Senate to adopt it at this time.

The PRESIDING OFFICER (Mr. MCGOVERN in the chair). The question is on agreeing to the amendment of the Senator from Minnesota [Mr. MONDALE].

The amendment was agreed to.

Mr. RIBICOFF. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

At the end of the bill insert the following:

"TITLE IV—AUTHORIZATION FOR USE OF CERTAIN LAND AS RECREATION AREA

"Authorization

"SEC. 301. The Architect of the Capitol is hereby authorized to transfer jurisdiction over the land at 1st and C Streets Southeast, in the District of Columbia, being the land on which the Madison Memorial Library is proposed for construction, to the Board of Commissioners of the District Government, to be operated for recreation purposes only, and without any improvement to said land, for such period of time as said land is not required for building or other purposes by the Architect of the Capitol."

Mr. RIBICOFF. First, Mr. President, before remarking on this amendment, I wish to again express my admiration for the distinguished work in the field of education performed by the senior Senator from Oregon over the past 6 years. Time and time again, I have called to the attention of the Senate the constructive work that he has performed. If there is one man in the United States who is entitled to the title of "Mr. Education," it is the senior Senator from Oregon.

I also wish to give high praise to the ranking minority member of the committee, the Senator from New York [Mr. JAVITS], who has so ably assisted the Senator from Oregon in piloting through these landmark education bills—and this is another landmark education bill.

The highest praise should go to the distinguished senior Senator from Oregon and the distinguished senior Senator from New York.

Mr. President, in an article in yesterday's Washington Post, William P. Raspberry described the experience of St. Peter's Angels—some 40 youngsters between the ages of 11 and 15, who have been organized by Father Patrick Durkin, pastor of St. Peter's Church, into the only two tackle football teams in the area between 1st and 15th Street SE., from East Capitol Street to the Anacostia River.

For the past 5 weeks, these teams—under Father Durkin's supervision—have been playing in the vacant lot at 1st and C Streets SE. Now, as we all know, that land has been vacant for years, and is the site of the proposed Madison Memorial Library. As we also know, the plans to build that library have been ensnarled

in controversy, and the construction is not yet ready to begin.

Last Thursday, St. Peter's Angels were evicted because the law forbids the use of U.S. Capitol Grounds as playgrounds—and another attempt to provide recreation for youngsters who need it is endangered.

My amendment is a simple one. It would authorize the Architect of the Capitol to transfer the plot of land destined for the Library to the District Commissioners for such period of time as it was not required by the Architect for building or other purposes. And it would authorize such a transfer for recreation purposes only, and would prohibit the addition of fixtures to the land.

Let me be very clear. I do not envision that land as a massive playground—but neither do I believe that the children who live around the Capitol should be deprived of the use of that vacant land for healthy recreation. I have explored the statutes, and there is an existing authority to transfer jurisdiction of lands between and among Federal agencies and the District Government. It requires mutual consent between the parties, the approval of the National Capitol Planning Commission and a report to Congress. Realistically, the chances of that procedure being completed in time to help this situation are very slim.

So I offer this simple amendment, in the belief that Congress owes a duty to its neighbors on Capitol Hill, and in the belief that reasonable recreational use of the land at 1st and C Streets SE. would be entirely appropriate until such time as the necessary decisions are made regarding the proposed Library building.

I ask unanimous consent that the article by Mr. William Raspberry be printed at this point in the RECORD.

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

U.S.-OWNED VACANT LOT BARRED AS PLAYING FIELD

(By William Raspberry)

St. Peter's Angels haven't exactly been told where to go, but they've been ordered to get the devil out of their former football paradise at 1st and C Streets se.

The Angels (top weight: 130 pounds) and a second St. Peter's team of 100-pounders had used the two-block lot for about five weeks. Police evicted them last Thursday.

The lot is the property of the U.S. Capitol, and there is a law against playing on the Capitol grounds. So now the lot—almost a park, really—just sits there, protected by battered signs that say "U.S. Property: No Trespassing."

"I don't know what we're going to do now," said the Rev. Patrick Durkin, pastor of St. Peter's Church. "We're sort of hung. We're trying to find out if maybe we can provide transportation for the kids to Turkey Thicket Park, at 10th Street and Michigan Avenue ne. The next closest vacant lot is in Anacostia."

The Capitol Hill lot once contained some of the area's most attractive row houses. They were torn down three years ago when the Government acquired the site for the proposed Madison Memorial Library, an annex to the Library of Congress.

Indications are that it will be at least a year or two before construction begins. In the meantime, the huge lot, a rarity in this crowded city, apparently will just sit there.

Philip Roof, executive assistant to Capitol Architect J. George Stewart, said there has been no particular problem with youngsters damaging the grounds. There is nothing, really, to damage.

"There's a law against using the Capitol grounds as a playground," he said. "The minute we acquired the lot for the library, it became a part of the Capitol grounds."

Principal objection to use of the lot as a play area, he said, is legal. "For example," he said, "if a child is hurt there while he's playing, the Government could be sued under the Federal Torts Claim Act."

Roof also noted that the Government "has spent a lot of money to seed that ground."

The lot is fairly attractive, even if the grass has only a slight ascendancy over the weeds. The shrubbery that once graced the rowhouse lawns gives it the appearance of a park.

But it is a park that no one uses, nor is there any encouragement to those who would. There are no benches, fountains, walkways or other enticements. And, too, there are those "No Trespassing" signs.

According to Father Durkin, the lot's major use is as a two-block restroom for dogs. "Nearly everybody on Capitol Hill walks his dog there," he said.

Young adults of the area have occasional pick-up softball games there on weekend afternoons, although that, too, is forbidden and presumably will be enforced now.

Father Durkin said police indicated there have been complaints from residents about youngsters playing there. But he has been unable to find any of the complainants.

"In fact, residents of the Coronet Apartment House and others are circulating a petition trying to get permission to use the lot for recreation," he said.

Others are seeking help from high places, including members of Congress and the Vice President's office.

According to Father Durkin, St. Peter's two teams—some 40 youngsters aged 11 to 15—are the only tackle football teams for that age group between 1st and 15th Streets se., from East Capitol Street to the Anacostia River.

"It is because of this that the Catholic Youth Organization permitted us to take in non-Catholic boys," he noted.

Capitol Architect Stewart said someone was in his office last week to ask permission to use the lot as a play area. He hinted that he was miffed because "they had been using the lot already and only came to ask permission after they were chased off by the police."

But he said he couldn't have granted permission anyway. "I haven't any authority to bypass the law," he said. "The only way permission could be given is through an act of Congress."

Waiting for an act of Congress, particularly where District problems are concerned, is not the city's most rewarding pastime.

Mr. MORSE. Mr. President, as the Senator from Connecticut and the Senator from Oregon are aware, this amendment is irrelevant so far as international education is concerned; but it is not irrelevant so far as the common humanitarian purposes of international education and a type of domestic education in the District of Columbia are concerned.

I shall accept the amendment and take it to conference, with the clear understanding—and the Senator from Connecticut knows this—that if any objections on the House side create any problem for me in conference, I will have to recede.

I have checked into the matter enough to know that this is probably the only vehicle that we have left with which to accomplish the humanitarian purpose that the Senator from Connecticut has in mind.

I think that Father Durkin is entitled to this support from us. I do not see how anyone can object to the use of this property for the short duration of time—or whatever duration of time it is—between now and the start of construction of the memorial library on the property.

With that understanding, with that legislative history, I shall take the amendment to conference. If there is no objection, fine; if there is objection, I shall move to recede.

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

Mr. MORSE. I yield.

Mr. JAVITS. I should like to join the Senator in his remarks, and I hope that we can, indeed, hold it in conference. However, as we have had experience with other amendments—both Senator MORSE and I—we have had to say that in no case will we permit the amendments to stand in the way of consummating the basic purpose of the bill.

Mr. MORSE. I ask for the passage of the bill.

Mr. RIBICOFF. Mr. President, I am sure that the two distinguished Senators who love children and realize the necessity for wholesome recreation will point out this problem to the House conferees. My feeling is that with their persuasiveness they will induce the House conferees to take this amendment, because, while we are taking care of the educational needs in the international field, it is not a bad idea to take care of the educational and recreational needs of the District of Columbia. Heaven knows they are in need of them.

Mr. President, I extend my thanks to the Senator from Oregon [Mr. MORSE] and to the Senator from New York [Mr. JAVITS].

The PRESIDING OFFICER (Mr. MCGOVERN in the chair). The question is on agreeing to the amendment of the Senator from Connecticut [Mr. RIBICOFF].

The amendment was agreed to.

Mr. MORTON. Mr. President, my colleague from Kentucky, Senator COOPER, is necessarily absent today. Education has been one of his deep and abiding interests during his entire service in the Senate. He served as a member of the Senate Labor and Public Welfare Committee for 5 years and for a time was chairman of its Subcommittee on Education. He has written, cosponsored, spoken, and voted for measures to improve the quality of education, and has asked me to express his support for the bill before the Senate today. I ask unanimous consent that the statement by Senator COOPER be included at this point in the RECORD.

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

STATEMENT BY SENATOR COOPER

I support H.R. 14643, the proposed International Education Act of 1966. It has always been my belief that it is a good education which equips a man for this world, and our 15 million high school students will live in that world. They will deal with the problems of a population estimated to exceed 3

billion by 1980, and which will demand almost 800 million tons of food grains. The bill now before the Senate will help insure that the college education these students will receive will inform them about the world they will inhabit.

The proposed International Education Act of 1966 will expose all college students to international education by providing for grants to strengthen programs in international studies; by providing for a more flexible operation of the language and area studies programs of the National Defense Education Act which I cosponsored in 1958, to permit these centers to be supported by grants as well as by contracts and by removing the 50 percent ceiling on Federal participation. The bill will also provide grants for the establishment of graduate centers for international studies.

Already, some 70 American universities have contracted with AID to conduct cooperative programs in 40 countries, including the University of Kentucky. Under the Hays-Fulbright Act, 49 countries participate in bilateral student exchanges with us.

I support the legislation before us today, as I have supported bills in the past to encourage the expansion of our colleges and universities, including the Higher Education Act of 1965 and its amendments passed only Monday by this body.

INTERNATIONAL EDUCATION BILL OF 1966: FOR INCREASED KNOWLEDGE AND UNDERSTANDING OF THE PEOPLES OF THE WORLD

Mr. YARBOROUGH. Mr. President, the international education bill of 1966 authorizes grants to colleges and universities for the development and improvement of research and instruction in international studies. The program is authorized for 5 years, with expenditures authorized in this bill for only the first 3 fiscal years—$4,580,000 is authorized for fiscal year 1967, $47,280,000 for 1968, and $91,885,000 for 1969.

As one of the coauthors, I strongly support the purpose of this legislation. The world has become a small place. We must know more about the other peoples who inhabit this planet with us.

Ignorance breeds suspicion. Certainly it is not the only cause of world conflict, and we need not delude ourselves by thinking that if only everyone in the world knew more about his neighbor, we would have peace. Human relations unfortunately do not proceed on such a rational basis.

But understanding does have an important role to play, and we should do everything we can to encourage the rule of reason. By encouraging international studies, by finding out more about the history, religion, customs, beliefs, art, commerce, politics, and problems of the other peoples of the earth, we encourage a more enlightened world.

When I first read the bill the administration sent up to Congress, I had serious misgivings about a certain aspect of it. What worried me was the fact that the legislation would authorize the Federal Government to pay part or all of the cost of setting up international studies programs. With the Federal Government footing all of the bill in some cases, it seemed to me that a climate would be created in which some sort of special relationship might exist between beneficiaries of the act and the Federal Government. In any field of study, and especially in international studies, this would be undesirable.

Our great universities should be outside the Government. They should be free to pursue the truth. They should never be fettered with a too great dependence or a too close relationship to the Government—or to business, or to labor, or to other such groups for that matter. Naturally, universities have relationships with all these groups, but what we must stay away from is monopoly control by anyone.

It appears to be a natural and, I believe, an understandable, human trait to believe that the norms of living and thinking of one's own time and place are forever perfect. An important part of education is the discovery that other people live in different ways, and many of them are quite happy about it. It is also true that many of them are not. But a university should remain a place where men can go and take a clear and open look at things, and, for a while at least, leave their prejudices behind. This view, I believe, is in the best traditions of the American Nation.

Our committee made changes in the administrative setup of the bill for the purpose of removing possibilities of Federal control. A National Advisory Committee on International Studies is created. A majority of the membership will constitute a broad representation of higher education in the United States and the remainder will include representatives of the general public and individuals experienced in foreign affairs. The committee is authorized to appoint its own staff. I hope that the committee will give a strong, independent, nongovernmental voice to this program.

The bill also includes the usual prohibition against Federal control over the curriculum, program of instruction, administration or personnel of any educational institution. Our committee added a prohibition against Federal control over the selection of library resources by any educational institution or over the content of any material developed or published under any program assisted pursuant to the act.

As a member of the subcommittee which considered the bill, I give it my support. Our committee amendments ease some of the concern about Federal control.

I intend to follow closely the progress of this program. Its promise is abundant—greater knowledge and increased understanding of our neighbors. I feel confident that it will yield these results in great bounty to the extent that our institutions of education remain free to pursue them.

Mr. President, as a senior member on the majority side of the Subcommittee on Education, under the leadership of the distinguished Senator from Oregon [Mr. MORSE], I wish to pay tribute again to his fine leadership.

There was a good deal of controversy in connection with this bill when it first came to us. Many hostile questions were asked. Senators on both sides raised very difficult questions.

Mr. President, under the very able leadership of the senior Senator from Oregon [Mr. MORSE] those problems have been worked out and resolved, and there has resulted a bill which meets general acceptance and will advance the idea of international education, by which we hope to raise the educational level, as well as the standard of living of many of the underdeveloped countries.

Mr. President, without the leadership of the Senator from Oregon I do not believe that this bill would be before us today.

The Senator from Oregon has been conciliatory and searching in his inquiries, and he has gone outside of Congress to bring to the Senate a workable and realistic bill. The Senator from Oregon deserves high praise for this fine work.

Mr. MORSE. Mr. President, I appreciate exceedingly the remarks of the Senator from Texas [Mr. YARBOROUGH]. The Senator knows how indebted I, as chairman of the committee, am to him for the unfailing support he has always given on these bills.

I should also like to take this opportunity to express once again and publicly to him and to the democratic members of my subcommittee what I have told them privately and that is the work we do together on legislation for the boys and girls of America is well worth doing. The statutes which contain it are all jointly written and owe whatever excellence they may have to the fact that we all agree on the ends we seek to attain.

I can never express to the Senator from Texas [Mr. YARBOROUGH], the Senator from Pennsylvania [Mr. CLARK], the Senator from West Virginia [Mr. RANDOLPH], the Senator from New Jersey [Mr. WILLIAMS], and the Senator from New York [Mr. KENNEDY], and above all, to the beloved chairman of our committee the great Senator from Alabama [Mr. HILL], how much their complete cooperation has meant to me. I thank each of them and the staff of the committee for their help to me on this bill, and I also express my deep appreciation to the many men and women in the Department and in the Office of the Senate Legislative Counsel who aided us on this ground-breaking legislation.

Mr. FULBRIGHT. Mr. President, I would like to associate myself with the comments of the Senator from Texas [Mr. YARBOROUGH]. I would like to add that I am completely pleased that the Senator from Oregon [Mr. MORSE] has been associated with this legislation and that he will continue to be in the future.

I think that this is, of course, much the most important kind of activity for the future of this country that we are engaged in. If there is any hope at all for a peaceful world it will result from the kind of activity for which this bill provides. Of course, we have to do it on a much larger scale and in a more understanding and intelligent manner.

Mr. President, I do wish to raise one question with which I know the Senator from Oregon agrees and that is: In the administration of this kind of activity, in which other countries participate, this country, being the largest, the most rich, and the most powerful, must be very careful not to try to Americanize it completely. We must take into account the

sensibilities of other countries. It must be a multilateral program—if I may use that term—and not solely an American program where they get the idea that we are trying to impose on them our school ideas about education.

Mr. MORSE. Mr. President, I shall now make the comment that I was going to make after the passage of the bill when comments are made by Senators who are not members of the Committee on Labor and Public Welfare. In view of the statement which has been made by the Senator from Arkansas [Mr. FULBRIGHT] this is the most appropriate place to make that statement.

Mr. President, when the President first talked to me about this bill, at the time when he was talking to me about other parts of his legislative program, he told me he was going to send up a subsequent bill; and that he would have a subsequent conversation with me about it after the Department of Health, Education, and Welfare, and the Department of State prepared the bill.

I made a report of this, and Senators on the committee know about it, in our executive session.

The President said that he wanted me to work very closely with the chairman of the Committee on Foreign Relations and the Committee on Foreign Relations in regard to the bill because there was also a great foreign policy interest in the bill. I have done that. I have kept the chairman, and particularly Dr. Marcy, the head of the professional staff of the Committee on Foreign Relations, apprised of the progress of the bill throughout the hearings, and executive sessions. The chairman of the Committee on Foreign Relations and Dr. Marcy have from time to time made suggestions that carried great weight with us in connection with our consideration of the bill. I have reported them to the committee as we came to the markup session.

Mr. President, I would like to have included in the body of my discussion of the bill my very deepest appreciation to the Senator from Arkansas [Mr. FULBRIGHT] for the great help that he and his professional staff have given to me in connection with the bill.

While I am saying that—because I see him sitting directly in front of me, and knowing that probably going through his head is the hope that I will finish the bill quickly—I want to express my thanks and appreciation to the distinguished majority leader for his great help to me in handling this bill even prior to scheduling for today.

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

Mr. MORSE. I yield.

Mr. MANSFIELD. There was going through my mind the magnificent performance of the distinguished senior Senator from Oregon [Mr. MORSE] this year. The Senator has climbed the educational ladder with the elementary-secondary education bill, the higher education bill, and now the international educational bill. It is a magnificent, outstanding, and significant performance, and I give to the Senator all the credit in the world.

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

Mr. MORSE. I yield.

Mr. JAVITS. Mr. President, I would like to suggest, in deference to the Senator from Arkansas [Mr. FULBRIGHT], that intelligent men can make any rules work.

The Senator from Arkansas [Mr. FULBRIGHT], instead of being niggardly about any question of jurisdiction, took a position that brought about the desired result. The Senator is fully a party to it. It is a great tribute to both of the Senators that the bill is before us and about to be passed.

Mr. MORSE. Mr. President, I wish to say that the Senator from Arkansas [Mr. FULBRIGHT] is a great teammate, and he is a great general. I am glad to be a private in his ranks.

Mr. FULBRIGHT. Mr. President, I cannot let that statement pass the Senate, but I am delighted to be a part of this entire area because it is the area that is meaningful. I regret that it is not larger than it is, but there would have been no bill had it not been for the Senator from Oregon [Mr. MORSE].

Mr. THURMOND. Mr. President, I want the RECORD to show that I do not favor the passage of the pending proposal.

At the present time, we are approaching a financial crisis, and our country is engaged in fighting a war in South Vietnam. Our full resources and efforts should be devoted to winning this war. Consideration should be given now to only defense and other essential programs.

In view of this, I do not believe it is wise to authorize the expenditure of $130 million for this new program for the fiscal years 1968 and 1969.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute as amended was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment, and the third reading of the bill.

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

The bill was read the third time.

The PRESIDING OFFICER. The question is on final passage of the bill.

The bill (H.R. 14643) was passed.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MORSE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MORSE. Mr. President, I ask unanimous consent that the bill be printed as passed.

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

Mr. MANSFIELD. Mr. President, this is the third key education measure directed to successful Senate passage by the distinguished senior Senator from Oregon [Mr. MORSE] this session. This fact alone speaks highly for Senator MORSE's keen appreciation of the educational needs and problems of the Nation. It also demonstrates clearly his continuing devotion to the task of seeking ways to meet the needs—of offering methods to solve the problems.

So his quick response to the President's proposal for developing a comprehensive international education program—which, I add, is now encompassed in the measure just passed—serves only to emphasize once again Senator MORSE's unsurpassed dedication to public service, his ready advance of sound legislation to meet a vital need and his phenomenal ability to get the job done—and done well.

But like most outstanding achievements, the Senate's overwhelming endorsement of the international education program required the strong support of many Members of this body. This it received with typical cooperation. Particularly strong and most articulate on this measure was the outstanding support of the senior Senator from New York [Mr. JAVITS]. Senator JAVITS, like Senator MORSE, has consistently demonstrated a deep and abiding interest in maintaining the superiority of the educational opportunities for the youth of the Nation. We are, as always, most grateful for his fine work on the Education Subcommittee.

Also to be commended for their splendid cooperative efforts on this measure are the junior Senator from Minnesota [Mr. MONDALE] and the junior Senator from Connecticut [Mr. RIBICOFF]. But the Senate's efficient disposition of this proposal, in the final analysis, may be attributed to the cooperative action of every Member of this body. Once again, we all may be proud of another outstanding achievement.

DEPARTMENT OF TRANSPORTATION—CONFERENCE REPORT

Mr. JACKSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 15963) to establish a Department of Transportation, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.)

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

There being no objection, the Senate proceeded to consider the report.

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

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

Mr. JACKSON. Mr. President, the conferees were able to keep the Senate version intact on the main points of disagreement with one exception—the transfer of maritime functions.

The House agreed to accept the basic organization and structural provisions of the bill in the Senate version, including the distribution and assignment of functions, powers, and duties. This included acceptance of railroad, highway, and aviation administrators with statutorily assigned duties. Decision of these administrators will in certain matters be administratively final, subject only to appeal to the courts or the National Transportation Safety Board, as appropriate.

The House agreed to accept the Senate amendments strengthening the National Transportation Safety Board. This included acceptance of the Senate provisions assigning the Civil Aeronautics Board's aircraft accident investigation functions to the Safety Board, and authorizing the Safety Board to conduct its own investigations into rail, highway, and pipeline accidents.

The retention of these Senate amendments relating to the organizational structure of the Department, and the strengthened role of the National Transportation Safety Board, insure that safety matters will be placed in the hands of trained experts, leaving the Secretary free to devote his efforts to the numerous other duties and responsibilities vested in him.

The Senate was also able to persuade the House to agree to the retention of section 7, relating to investment standards and criteria, including language regarding water resource projects. As Members know, the House had deleted this entire section from its version of the bill.

In this connection, the Corps of Engineers expressed some concern to the committee with regard to language in the Senate report amplifying the definition of primary direct benefits and the use of prevailing rates. The corps felt that the language in the bill itself was perfectly acceptable but that the report language was too restrictive. By way of clarification, I would like to say on behalf of the Committee on Government Operations that it was our intent that—and I state this for the legislative history:

Where available in the area of the proposed waterway, prevailing published rates being applied for movement of the type and approximate volume of each commodity considered as potential traffic for the proposed waterway are to be used in the economic analysis.

Where prevailing rates are not available or are not being applied in the area of the proposed waterway for movement of the type and approximate volume of the potential traffic, constructed rates will be used in the economic analysis. Where such constructed rates are necessary, they are to be developed using rate structures on the alternative modes of transportation that have not been depressed due to their direct competition with an existing waterway.

Thus, Mr. President, it is the committee's intent that the resulting calculation of navigation benefits will be essentially those historically employed by the Corps of Engineers prior to the development of new procedures adopted in October 1960, which culminated in the directive of November 1964, and which was recently rescinded, as reported in letters from the Director of the Bureau of the Budget to the Chairman of the Public Works Committees dated August 24, 1966.

The House accepted the Senate language declaring it to be the national policy that special effort should be made to preserve the natural beauty of the countryside and public park and recreation lands, wildlife and waterfowl refuges, and historic sites. The Secretary is directed not to approve any program or project requiring the use of such lands unless there is no feasible and prudent alternative to its use, and such program includes all possible planning to minimize harm to such areas.

The House likewise accepted Senate language which transferred the St. Lawrence Seaway Deveolpment Corporation and the Alaska Railroad to the new Department.

The House agreed to the Senate provisions on compensation of the various officers in the new Department.

The one exception, which the House insisted upon, and would not yield, was deletion of the transfer of maritime matters. Though the remaining days of this Congress may be few, the Senate would not yield on this point for two conference sessions. As Members well know, the Senate Committee on Government Operations realined maritime functions in our bill to establish an independent maritime board within the Department and to give to the Maritime Administrator additional latitude in the administration of duties assigned to that office. Still further amendments to strengthen this position were accepted on the floor of the Senate during recent debate. But it was all of no avail in the conference. Nothing short of complete elimination of the transfer of maritime functions was acceptable to the House.

The mandate of the House on maritime matters was clearly and overwhelmingly cast when it adopted—by a vote of 260 to 117—an amendment specifically to delete the transfer of maritime activities from Commerce to the Secretary of Transportation, and to delete the Maritime Administration, which had been provided for within the Department.

The Senate finally and most reluctantly agreed to the House position at the end of the second conference session. The Senate would not have yielded were it not for two considerations.

First. In view of the House mandate if the maritime remained in the bill, the conference report would be rejected in the House and there would be no Department of Transportation during this Congress. Our task became "the art of the possible." Your conferees acting in accord with our mandate from the Senate, in the form of a 64 to 2 vote for a new Department, reluctantly acquiesced to deleting the provisions transferring maritime functions to the new Department, and establishing in the new Department a Maritime Administration and a Maritime Board.

Second. Though the maritime functions most regrettably are not transferred to the new Department, it will not thwart the purpose of this legislation, nor greatly diminish the mission of the new Department. In his message to the Congress, President Johnson said that no function of the new Department, no responsibility of its Secretary, will be more important than safety. Maritime safety matters will be within the new Department through the transfer of the Coast Guard. The next most important responsibility of the Secretary is to provide leadership in hammering out a coordinated transportation policy. Though maritime functions are not transferred to the new Department, the Secretary of Transportation is granted substantive authority to exercise leadership under the direction of the President in transportation matters, including those affecting the national defense and those involving national or regional emergencies; provide leadership in the development of national transportation policies and programs, and make recommendations to the President and the Congress for their consideration and implementation; promote and undertake development, collection, and dissemination of technological, statistical, economic, and other information relevant to domestic and international transportation; and promote and undertake research and development relating to transportation.

In summary, the Secretary is granted authority to develop and to recommend to the Congress a coordinated transportation policy for all modes of transportation.

There were, in addition, other points of disagreement, and in the give and take of a conference there was accommodation by way of modifying, clarifying, and in some instances, meshing language of the two bills.

In summary, Mr. President, the will of the Senate prevailed in the main, save as to the transfer of maritime functions. It is an important exception, and it is regrettable that it is not included. This omission will not, however, defeat the purpose of the bill, and a new Department of Transportation can take its rightful place in the Cabinet of the Federal Government.

Mr. President, I move that the Senate agree to the conference report.

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

Mr. JACKSON. I yield to the Senator from Arkansas.

Mr. McCLELLAN. Mr. President, during the course of the Government Operations Committee consideration of this bill to create a Department of Transportation, an unavoidable situation developed whereby, as chairman of the committee, I was unable to give the bill the attention that it required to be expeditiously processed. So I called upon my friend, the distinguished Senator from Washington [Mr. JACKSON],

who is the ranking majority member of the committee, for assistance in handling this measure.

As always, he very graciously responded and moved forward with dispatch to achieve another in a long list of his many major accomplishments. Without his assistance and diligent work on this bill, it is very doubtful that it could have been successfully processed to enactment at this session of Congress.

I wish to thank him for the very valuable assistance he gave me.

Senator JACKSON'S contributions toward the ultimate enactment of this bill are manifold. I especially want to pay tribute to him and to our fellow conferees in being able to retain my amendment to section 7 of this bill relating to water resource projects. It is high time that Congress recapture the initiative in developing the natural waterways of this Nation, and it will be able to do so through the language incorporated in section 7 of this bill.

The junior Senator from Washington has performed magnificently, and I commend him for the continuing assistance he has rendered to the Committee on Government Operations, and for the great service he has performed on behalf of the Senate.

Again, I want to thank him and my colleagues on the committee who served as conferees for their support in those features of the bill which I deem so essential and indispensable to proper legislation in this field.

Mr. JACKSON. I wish to express my appreciation to the distinguished senior Senator from Arkansas for his generous comments on my work on this matter. I do want to point out that the distinguished chairman of the committee conducted lengthy hearings. He devoted much time to this measure. It was only in the latter days, because of other commitments and responsibilities, that it was necessary for him to forgo, from time to time, a part of the work; but he carried the major load of the work in making the establishment of this department possible.

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

Mr. JACKSON. I yield to my distinguished senior colleague. Let me first say that my colleague [Mr. MAGNUSON] introduced the administration bill, on which the committee held lengthy hearings. We on the committee are indebted to him for his advice and counsel.

I also want to express our appreciation once again to his staff on the majority side, the General Counsel, Mr. Gerald Grinstein, and Mr. Stanton Sender, for their help throughout the hearings and in connection with the conference report, as well as the staff of our committee, headed by Mr. James Calloway, and Mr. Eli Nobleman, who worked hard and long on this measure.

I also want to express appreciation to the conferees, who worked long and hard and had many discussions in an effort to get a conference report that would be acceptable to the House and Senate.

I now yield to my colleague.

Mr. MAGNUSON. Mr. President, I join with the distinguished chairman of the Government Operations Committee in adding my appreciation and deep praise for the work of my colleague on this very complex and important matter.

The Members of Congress who work in any phase of the field of transportation have become familiar not only with the complexities of the Nation's transportation system, but also with its controversies.

I assure my colleagues in the Senate that those controversies are not easily resolved. Some of them are long standing. Some of them are bitter. But with it all, we have one of the finest transportation systems in the world, and the only one that is under private enterprise. With few exceptions it is owned and operated by private enterprise. It is this fierce competition that causes some of the controversies. When my colleague assumed this task, I knew it would be fraught with difficulties. He did his task well. I urge my colleagues to adopt the conference report.

I wish to compliment the staffs of both the Commerce Committee and the Government Operations Committee for the work they did on the bill.

My colleague from Washington [Mr. JACKSON] offered two amendments to the bill which I think considerably improve the provisions of the bill.

The first amendment declares it to be national policy that the natural beauty of our countryside and public parks should be preserved, and directs the Secretary not to approve any transportation plan or program which does not include all possible planning to minimize harm to such areas. This is a good amendment, and I wish to associate myself with this provision to insure the preservation of the natural beauty of our Nation in the construction of highways, railways, and other methods of movement of people and goods.

The second amendment which I think vastly improves the bill requires the cooperation and coordination on Federal transportation programs for urban areas by the new Secretary and the Secretary of HUD. This amendment will insure that we need not await the conclusion of the year's study on the location of urban transportation programs before we begin coordination of Federal programs in urban areas.

Lastly, I mention the provisions of section 7, which in itself was controversial when the bill was introduced. The ability of my colleague and the other conferees to work out section 7 and make the changes that were needed constitutes an improvement over the bill as it was introduced. The section now reads:

> The Secretary is directed to develop, and from time to time in the light of experience to revise, standards and criteria for submission to the Congress for approval. This will insure that needed studies and economic analyses are made before such standards and criteria are placed into effect.

There are many other parts of the bill that I could discuss. There is one I wish to mention, because it provoked a great deal of controversy, which could probably have been foreseen when the bill was introduced. But the junior Senator from Washington, his committee, and the staff, I think, did the right thing in this matter. The matter to which I refer is the administration of our maritime statutes. I have spoken on the floor of the Senate many times about our domestic fleet and how it has dwindled from a proud fleet of over 400 vessels immediately before World War II to less than 80 vessels. I do not intend to restate again the deplorable condition of our bulk carrier fleet which today carries only 5 percent of the movement of dry and liquid bulk cargo in the U.S. foreign trade.

It cannot work to the advantage of our Nation's merchant marine to have the location of the administration of maritime matters left in limbo. There are a number of obvious advantages in having the Secretary of Transportation be the primary Government spokesman for the American merchant marine. The Senate amendments sought to provide an independent Maritime Subsidy Board and a strong Maritime Administrator within the Department. Others, I know, feel strongly that the maritime program will not be vigorously carried out so long as it is located within a larger department which has other missions and programs. The maritime agency has been shuffled about the Government for 50 years without having found a permanent and effective home.

I have discussed this with other Senators. I see on the floor the distinguished Senator from Alaska [Mr. BARTLETT], who will be chairman of the Subcommittee on Merchant Marine and Fisheries of the Committee on Commerce next year. Next January we intend to hold committee hearings to see if we cannot reach a permanent solution to this perennial problem. The committee will consider whether the Maritime Administration should remain in Commerce, should be transferred to the new Department, or should be established in an independent agency.

The conference report—which was about all that could be worked out in this very highly controversial area—does not transfer maritime functions now in the Commerce Department. The new Secretary will, however, be assigned certain duties in the maritime field. The Coast Guard with its duties over maritime safety will be transferred to the new Department. The Secretary's responsibilities include providing leadership in the development of a coordinated transportation system, and the promotion of research and development in all modes of transportation. The new Secretary can exercise these statutory responsibilities even though maritime functions now remain in the Department of Commerce.

I do hope this will be understood by those who had a deep interest and participated in what I call an abiding controversy on this whole matter. I do not know what my colleague could have done other than what he did, in order to get a Department of Transportation established.

This is a great step forward. It is a historic step for the transportation industry in the United States. I think it

will be one of the best things that ever happened to solve some of these controversies, and to go forward, so that we can have, not only a modern merchant marine, but also modern railroads, trucks, bus lines, aviation, and all the other modes which make up the world's greatest transportation system. We will need, of course, a transportation system for the future as this country grows.

With its acceptance in the Cabinet of the President, transportation will no longer be forced to speak from many tongues scattered throughout the executive branch; there should now be one unified voice.

The bill agreed upon by the conferees is not a perfect bill, but it will provide the framework for the establishment of a Department of Transportation. I urge its adoption as a beginning toward the ultimate, perhaps unrealizable goal, of bringing together all transportation activities in the executive branch within the confines of one Department.

In recommending the establishment of a Department of Transportation, President Johnson said that no function of the new Department—no responsibility of its Secretary—will be more important than safety. The new Department as set forth in the conference report will contain safety jurisdiction over all modes—highway, rail, air, and maritime. A new National Transportation Safety Board will be established within the Department to provide the focus for across-the-board review of safety matters, to conduct safety studies for the benefit of our Nation's transportation employees and travelers.

The operational continuity of safety activities transferred to the new Department will be preserved by the conference report. The Coast Guard will be transferred to the new Department as a legal entity, and will continue to operate under the Commandant of the Coast Guard, who will report directly to the Secretary. The Commerce Committee will continue its jurisdiction over annual authorization bills for the Coast Guard to insure thorough review and consideration of Coast Guard matters.

Motor carrier, rail, and pipeline safety now in the Interstate Commerce Commission will be transferred to the new Department, and the Federal Highway and Railroad Administrators will carry out the Secretary's duties in this area. An unnecessary layer of bureaucracy will be eliminated in the new Department by the provisions in the bill allowing direct appeals to the courts from decisions of these Administrators which involve notice and hearings required by law. Furthermore, language in section 4(e) requiring the Secretary to present to the ICC information on the safety fitness of applicants for ICC operating authority will insure that the Commission can carry out its congressionally assigned duties in certificate, transfer, and complaint cases. The substitute version will insure that the operational continuity of railroad, highway, and pipeline safety matters will be preserved in the new Department.

In supporting the transfer of the Federal Aviation Agency to the new Department, I strongly recommended that there should be no basic alteration in that Agency's present safety organization structure. I also urged that the accident investigation functions now in the CAB should be retained in an independent agency separate and apart from the air safety duties now in the FAA which are to be transferred to the new Department. The Senate amendments, which were agreed to by the House conferees, preserve the organizational safety structure of the Federal Aviation Agency activities by transferring these duties within the Department to the Federal Aviation Administrator, and providing that his decisions in the exercise of these safety functions will be administratively final. The independence and separation of air accident investigation functions is preserved by transferring CAB duties to the National Transportation Safety Board, an independent board within the Department. This organizational structure should preserve the effectiveness of our present air safety activities while at the same time placing aviation matters within the new Department.

The National Transportation Safety Board, in the Senate version which was accepted by the House conferees, will be truly independent of the Secretary, but within the Department. This five-man, bipartisan board, consisting of a Chairman and four other members appointed by the President, with confirmation by the Senate, for 5-year terms will be the driving force for the improvement of safety within the Department.

Over half of the 105,000 Americans who died in accidents last year were killed as a result of transportation accidents. Nearly 50,000 deaths involved motor vehicle accidents alone. Next to the Secretary, the Chairman of the National Transportation Safety Board will have, in the long run, perhaps the most important duties in the new Department. The Safety Board will determine the probable cause of all transportation accidents, will investigate air accidents, and can investigate rail, highway, and pipeline accidents. Furthermore, the Board will have the important duty of conducting special safety studies and making recommendations to the Secretary and the Congress on means to reduce the terrible toll of transportation accidents. The Chairman of the Safety Board can provide the leadership, the drive, and the wisdom to save thousands of lives of his fellow Americans each year.

The Secretary will also have important safety duties, none perhaps more important than those which are transferred to the new Department under the provisions of the Highway Safety Act of 1966, and the National Traffic and Motor Vehicle Safety Act of 1966. The successful implementation of these new laws recently enacted by the Congress, will make our Nation's highways more safe for all Americans.

Second only to safety, the most important duty of the Secretary of Transportation will be the development of policy recommendations for a coordinated transportation system to be submitted to the President and the Congress for their consideration and implementation.

This year marks the 30th anniversary of the passage of the national transportation policy by the Congress. This policy has served the Nation well as a broad charter to promote the development of all modes of transportation under private enterprise. We have the world's outstanding transportation system, and the only one almost wholely operated by private enterprise. Our present system is not perfect, certainly, and it can and must be improved. In the next 20 years, if the growth of our transport industries merely keeps pace with our current national economic growth, the demand for transportation services will more than double.

The Secretary will provide a unified voice at the highest levels of Government for consideration of the needs of transportation. He will have the responsibility of providing leadership under the direction of the President in transportation matters. The Secretary is assigned the vital responsibility in this new Department of providing leadership in the development of national transportation policies and programs, and making recommendations to the President and the Congress for their consideration and implementation.

I am particularly pleased that the Secretary has been directed to consult with the States and local governments, and with the heads of other Federal departments and agencies, in order to encourage the establishment and maintenance of a coordinated transportation system. The Secretary is also granted broad authority to conduct and promote research and development in all modes of transportation, including the problem of aircraft noise abatement.

In my testimony before the Government Operations Committee last March, I suggested that the committee consider assigning to specified officers and offices in the Department the important duties of acting as a spokesman for the public interest in merger proceedings, and giving the traveling public a voice in the councils of Government. The Committee report indicated that while such assignments were not written into the enabling legislation, the members of the committee unanimously urged the Secretary of Transportation to make promotion of passenger service and representation of the public in passenger merger proceedings a prime concern, and to that end to assign to an Assistant Secretary or other appropriate official in the new Department these important duties. I strongly urge the new Secretary to heed this directive.

I am in wholehearted agreement with the position of the President that there be no alteration of the economic regulatory functions of the Interstate Commerce Commission, the Civil Aeronautics Board, or the Federal Maritime Commission. The conference report preserves the economic regulatory functions of these Commissions. The Congress will continue to look to these independent agencies to carry out the legislative policies of the Congress in the regulatory field. The Commerce Committee will

also continue to look to the regulatory agencies to recommend and comment upon legislation which affect their duties. This bill makes no change in the present practice of the ICC in making recommendations on legislation directly to the Congress. As Chairman of the Commerce Committee, I will continue to look to the ICC to make its independent views known on surface transportation legislation, and the CAB and FMC to make their views known on legislation affecting their aviation and maritime duties.

The Commerce Committee members are keenly interested in the success of legislation. As chairman of the Commerce Committee, I offer the new Secretary of Transportation a helping hand in carrying out the tremendous responsibilities vested in him. The Commerce Committee members, I know, will welcome his recommendations, and stand ready to be of assistance to him in the problems he will face. The Commerce Committee will continue to exercise its jurisdiction in transportation matters, and to aid the new Secretary in developing a coordinated transportation policy for the Nation.

I again congratulate my colleague and the committee, and I urge the adoption of the conference report.

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

Mr. JACKSON. Mr. President, I am happy to yield to the Senator from Alaska.

Mr. BARTLETT. Before speaking with respect to the conference report, I wish to say I was encouraged by what the chairman of the conference committee has said. I think it would be most useful if the committee, next winter, were to inquire deeply and realistically into matters pertaining to the maritime industry, in an endeavor to formulate a national policy. We have been waiting for years for the administration to make such a recommendation. It has not. Perhaps the committee will have to do it on its own motion. I would rather it were otherwise, but we shall be prepared.

Mr. MANSFIELD. Mr. President, I wish to commend the distinguished Senator from Washington [Mr. JACKSON] and the distinguished chairman of the full committee, the Senator from Arkansas, and express my approval of what they have done, but my deep disappointment that the Senate bill was not accepted, including the Maritime Administration provision. I am sorry it was not accepted. I think it should have been.

I shall vote for the conference report, because it was the best the Senate conferees could do, after a long, hard, and arduous conference with the House conferees. I have been asked by the distinguished Senator from Ohio [Mr. LAUSCHE] to announce that he would be against the conference report.

Mr. JACKSON. Mr. President, I share the majority leader's deep disappointment. We, of course, did what was possible, and the conference report is the result. We had no other choice in the matter.

Mr. MANSFIELD. I understand that, and I commend the distinguished Senator and the committee.

Mr. MAGNUSON. This is a great step forward for transportation, and for the safety of our Nation's travelers.

Mr. MANSFIELD. I agree.

Mr. JACKSON. Mr. President, the able Senator from Connecticut was of invaluable help to us in the conference, and I wish to express my deep appreciation to him for his advice and counsel. I yield now to the Senator from Connecticut.

Mr. RIBICOFF. Mr. President, I wish to express both admiration and praise for the leadership shown throughout the consideration of this measure by the distinguished junior Senator from Washington [Mr. JACKSON] and the chairman of the committee, the Senator from Arkansas [Mr. MCCLELLAN]. Both of them worked very hard on a most knotty and complicated proposal.

We have long been in need of a unified transportation policy for this Nation. The pending bill goes a long way toward achieving it. I sat as one of the conferees on this committee. I express my admiration for the patience and the skill in which the Senator from Washington [Mr. JACKSON] conducted the affairs of the Senate during the conference.

I think it is safe to say that practically every point of a major nature that the Senate contended for was agreed to with one exception.

I join both of the distinguished Senators from Washington in expressing disappointment that the provision to include the Maritime Administration was not included in the bill.

I can testify to the fact that on this point the Senator from Washington was most persuasive. Yet, he and the House conferees were up against the very practical and hard fact that there had been a rollcall vote on this proposal in the other body and the vote was 261 to 117. This seemed from a practical standpoint to be an almost insurmountable hurdle to having the House yield.

I predict that the maritime interests in this country, both those representing the shipowners and those representing the unions, will be coming to the Congress in a very short period of time importuning Congress to include them in the Department of Transportation.

I believe that the maritime interests in fighting against this proposal have done their own industry and their employees a distinct disservice, because it puts the maritime transportation industry off by itself.

If we are really to have a uniform transportation policy for the interest of the entire Nation and of the maritime industry, that industry should be included.

My praise for the Senator from Washington can only be of the highest nature for the skill with which he conducted the conference in behalf of the Senate.

Mr. JACKSON. Mr. President, I thank the distinguished Senator for his kind remarks.

I yield to the distinguished junior Senator from Oklahoma who has taken such a keen interest in the water resources area and in matters relating to the Federal aviation industry.

Mr. HARRIS. Mr. President, I join in the commendations of the chairman of our full committee, the distinguished Senator from Arkansas [Mr. MCCLELLAN] for his very diligent work and effort in connection with the pending bill and particularly with regard to his amendment, which I cosponsored, having to do with water resources development.

I especially commend the distinguished Senator from Washington [Mr. JACKSON] who shepherded the bill through the committee, and who led those of us who were in the conference committee in the consideration in conference of the pending bill.

I know that the bill is a much better bill than it would have been had it not been for him. The bill in many respects is not exactly as all of us would like it, but I believe that it is a good first step. I believe that other changes can be made within this framework in the years to come by executive reorganization plans and by statute which will make the Department of Transportation better able to help develop a unified national transportation policy.

The pending bill is a good bill. I commend all those who worked on it, and particularly the staff members who have been identified earlier by the Senator from Washington.

I am pleased to support the conference report.

Mr. JACKSON. Mr. President, I thank the distinguished junior Senator from Oklahoma.

The distinguished senior Senator from South Dakota [Mr. MUNDT], who is the ranking minority member on the committee, is not able to be on the floor at the moment due to official business, but he made it possible for us to report unanimously on the pending conference report.

I express to him our deep appreciation for his contributions and assistance in making this new Department possible.

Mr. President, I yield to the distinguished senior Senator from Florida.

Mr. HOLLAND. Mr. President, I thank the distinguished Senator.

I, too, join in complimenting him and the other members of his committee for the fine job they have done.

The distinguished Senator will recall that during the Senate floor debate on this measure I addressed a question to him.

I should like to repeat that question to make sure that the situation explained by him at that time still exists.

As I understood the answer to my question at that time, it was that all those regulatory bodies, which exercise partly legislative duties and partly judicial duties, will still remain independent agencies and will not be assembled within the roof of this Department.

Mr. JACKSON. The Senator is correct. He is referring to the Interstate Commerce Commission, the Federal Communications Commission, and the other regulatory commissions.

Mr. HOLLAND. I am referring to the Interstate Commerce Commission, the Federal Communications Commission, the Civil Aeronautics Board, the Federal Power Commission, and other agencies which in the first instance were created to exercise largely legislative powers because the heavy and much-increased burdens on Congress that have developed in recent years would have made it impossible for Congress to do the things it had done heretofore and because of scientific advances and other factors.

Second, to those same agencies were entrusted judicial or quasi-judicial or semijudicial duties, so that frequently they are very properly accused of wearing two hats, and neither of those two hats has to do with their exercising strictly executive or administration duties.

My understanding at that time was that the pending bill would bring into the new Department executive and administrative duties only, but would leave these regulatory agencies with power to do these legislative and judicial or semijudicial acts as independent regulatory agencies. Is that still the situation?

Mr. JACKSON. The independent agencies remain in exactly the same situation, with some minor changes. Referring, for example, to the CAB, the accident investigation function is transferred to the National Transportation Safety Board.

I will answer as definitively, I think, as one can respond to the question of the Senator.

There are no changes in connection with any of the answers I gave to the Senator at the time the bill was brought up on the floor. The conference report now pending made no changes in this respect.

I thank the Chair.

Mr. HOLLAND. Mr. President, I thank the distinguished Senator. I assumed that that would be the case.

That means that we will have, with the passage and approval of the pending bill, a new executive Department in every sense of the word on a Cabinet level.

I think that is what we have needed. I think it should be enlarged, and I hope it will soon be enlarged to cover the maritime functions, because to my mind it is very difficult to rationalize any separation of maritime transportation problems from those problems that have to do with land and inland water and air transportation.

Mr. JACKSON. Mr. President, all modes of transportation, of course, should be included in the new Department.

The maritime industry is the only one left out. I pointed out in my remarks in chief, in explaining the conference report, that the Secretary of Transportation would have the authority to work out a broad national transportation policy covering all modes of transportation which would be submitted to Congress.

This would include, of course, his recommendations regarding the maritime industry, which was left out of the pending bill. In summary, he does retain authority to make recommendations to Congress in the maritime area as well as in other areas of transportation.

Mr. HOLLAND. I thank the distinguished Senator.

I thought I read in the remarks of the distinguished Senator from Oklahoma a few minutes ago the implied wish that the executive reorganization power might be utilized sometime in the near future.

If that was the meaning of the remarks of the Senator, I join him in those remarks.

We will still have a three-legged stool until we get the maritime industry added as a fourth leg to this needed and particularly useful chair.

I thank the distinguished Senator and compliment him again for his fine service.

Mr. JACKSON. Mr. President, I appreciate the remarks of the distinguished Senator from Florida.

Mr. BREWSTER. Mr. President, I am delighted to support the conference report on the Department of Transportation bill. This report would take the Maritime Administration out of the Department of Transportation entirely.

I would hope that this approach will pave the way for an independent Maritime Administration, and, ultimately, a rebirth of the American merchant marine. Certainly I intend to push for legislation to achieve this end.

The conferees have reached a very acceptable position. I would particularly like to commend Senator JACKSON, who has worked very hard on a most complex and controversial piece of legislation. The end result is a very fine bill which I am proud to support.

Mr. President, I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

CHILD DEVELOPMENT GROUP OF MISSISSIPPI

Mr. JAVITS. Mr. President, I wish to call the attention of the Senate to a matter which has been receiving considerable attention in the press, and which I think deserves some consideration on the part of the Senate. It involves the development and future of an organization in Mississippi which is participating in the poverty program—the child development group, Mississippi.

Mr. President, the central fact is that this has been a going Headstart program, serving over 12,000 children in 121 centers in 28 Mississippi counties. I am informed that it is the largest single antipoverty program in the State of Mississippi.

It has come to the attention of the press that, somewhat abruptly, funds have been terminated. It had only recently been refunded by the OEO—in February 1966—with a $5.6 million grant for a 6-month program. Abruptly, the program was canceled. An OEO release, dated October 2, 1966, gives the agency's reasons for this severe step as follows:

CDGM in its present organizational form, with its present administrative and operating personnel, and record of management, cannot lawfully be refinanced by OEO.

To buttress its decision, the Office of Economic Opportunity published a situation report containing the results of an "interim audit" completed on September 15, 1966, and a memorandum to Director Sargent Shriver from OEO General Counsel Baker. There are three categories of charges.

Briefly, these charges are, first, that there were administrative and management deficiencies, an allegation which is very sharply challenged by CDGM. The second charge is that "CDGM is not disposed toward the development of biracial community action agencies which could mount the broader based programs contemplated under title II." The third charge is that "The program conducted in most centers by CDGM has not been Headstart as we conceive it. The program has been increasingly oriented toward the economic needs of adults rather than the needs of children."

Since publishing these charges, OEO, acted speedily to fund other organizations to carry on similar programs in the same area, and, according to the Washington Post of today, made at least one grant before application was formally made by the recipient. The Washington Post reports a funding of Rust College, for example, before the college, a small Negro institution at Holly Springs, Miss., had even fully applied for the money.

The New York Times of today speaks of a new biracial organization recently organized in Mississippi, called Mississippi Action for Progress, which also has been speedily funded, though it has had no previous experience in the poverty field.

It has already, almost overnight, received funding to the tune of $10 million.

Inasmuch as I am the ranking member of the committee which deals with the poverty program, this organization, CDGM, appealed to me. Mr. President, there is a great deal of hotly controverted charge and countercharge in this matter. I certainly do not wish to prejudge the case. However, a great many serious questions have been raised and the right appears not to belong wholly to one side or the other on the matter. Hence, I urged the OEO to grant them a public hearing in Washington. They have at least been granted an audience with OEO, I understand, although that meeting is allegedly set for Atlanta, Ga. I have asked that such a meeting also be held in Washington, where I and my representatives might personally sit in and see what is at stake.

Mr. President, having looked into the matter in the preliminary way that I have, I feel that the basic question is whether a Headstart program in Mississippi must be a fully integrated organization, or whether the amount of integration in its managing board and staff must be in accordance with what can be done in integrating the classes for the children themselves in Mississippi, which is mighty little. Just how much integration and cooperation should be demanded?

But in the last analysis, the main factor, to me, is not who runs the program but whether it will be run. Naturally, I am disturbed about the fate of the program in an area as difficult as Mississippi, and we know it is difficult, and about the intimations in several newspaper stories describing political overtones and political reasons for this very sudden shift.

I am especially concerned about what will be done about the more than 12,000 children and the centers in the 28 Mississippi counties where CDGM has been carrying on its program—a program directed to the poorest people in Mississippi and to the most depressed and segregated areas.

For these reasons, Mr. President, I urge Mr. Shriver to look into the matter closely and to hold a public hearing in Washington. We certainly do not want a program that is doing a job to go down the drain. Whatever may be the imperfections in it, if they can be corrected, they should be before a start is made on a new tack, with new people and new management, which may not for a considerable period of time be able to reach the constituency which CDGM has already reached.

I have a completely open mind on the subject, but I hope that this question will get the looking over that it deserves from the point of view that I have mentioned. I shall do my utmost to help.

It is our job to see that the poverty program is well administered, and that if there are any evidences of injustice or precipitate handling, to have them corrected. I shall do my best to be of service to the program in that regard.

I wish to point out, also, that a rather critical report has just been issued on the OEO decision by the Citizens Crusade Against Poverty. The cochairmen of the investigatory group which wrote that report are A. Philip Randolph, the president of the Brotherhood of Sleeping Car Porters, and Dr. Robert W. Spike, professor of ministry, of the Divinity School of the University of Chicago.

Under the circumstances, inasmuch as this is an issue of some seriousness and acclaim, I think it will be well to give CDGM its day in court—a public hearing. I shall do my utmost to apprise myself of the situation and to report to my colleagues in the Senate on the matter.

However, I repeat that the principal objective must be to do everything we can to see that the program is carried out. The important point is to insure that the children served by the program shall not lose if there must be a management shift or a sponsor shift, such as is indicated by the action taken thus far by the OEO in cutting off CDGM and making ingrants to other new agencies, in one case before the agency had even requested it.

Mr. President, I ask unanimous consent to have printed in the RECORD my telegram to Sargent Shriver; the request to me made by Rev. James F. McCree, chairman of the board of directors, and John Mudd, director, of CDGM; an article entitled "Mississippi Test on Poverty Set," published in the New York Times of today, October 13; and an article entitled "Manna From OEO Falls on Mississippi," written by Nicholas von Hoffman, and published in the Washington Post of today, October 13.

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

Hon. R. SARGENT SHRIVER,
Director, Office of Economic Opportunity, Washington, D.C.:

I have received an urgent telegram from the child development group of Mississippi asking me to request a public hearing of their case in Washington with the OEO. After examining your statements dated September 27 detailing the reasons for the termination of CDGM funds, together with documents supplied by CDGM, I believe that more serious questions are raised than answered. I do, therefore, request that you hold a prompt public hearing in Washington calling also CDGM officials, their accountants and management consultants, and any other relevant groups or individuals able to give germane testimony in order that the Congress and the public may be apprised of the facts of this case.

JACOB K. JAVITS,
U.S. Senator.

JACKSON, MISS.

Senator JACOB JAVITS,
Senate Office Building,
Washington, D.C.:

In light of your expressed concern for future of child development group of Mississippi we urgently request your presence at meeting between our board and officials of OEO on Thursday afternoon, Oct. 13. Meeting originally intended for Washington moved to Atlanta by OEO officials at last minute. For your convenience we suggest that you request return to Washington meeting site. If OEO is not favorable to Washington meeting we would welcome invitation to meet with you in Washington on Thursday or Friday at time convenient to you.

Rev. JAMES F. MCCREE,
Chairman Board of Directors.
JOHN MUDD, *Director, CDGM.*

[From the New York Times, Oct. 13, 1966]

MISSISSIPPI TEST ON POVERTY SET—NEW BIRACIAL GROUP GETS ITS FIRST HEADSTART FUNDS

JACKSON, MISS., October 12.—A newly chartered biracial group—Mississippi Action for Progress—formed to take over Project Head Start and possibly other antipoverty activities will test this state's prospects for improved race relations in the conduct of Federally financed programs.

MAP has been criticized by backers of the controversial Child Development Group of Mississippi, a civil rights-oriented organization. Its Head Start program has been terminated by Washington after a turbulent year of political conflict with Senator JOHN STENNIS, Democrat, and other Mississippians in Congress.

The new organization's first grant from the Office of Economic Opportunity was announced last night. It is $3-million, the first installment of $10-million reserved for Head Start projects.

Militant civil rights workers here have charged a "sellout" by Negro leaders who have joined in forming the Action for Progress group.

APPEASEMENT CHARGED

The economic opportunity office rejected the Child Development Group's request for a new $20.3-million grant to extend its operations after Federal investigators had reported evidence of mismanagement. Friends of the group charge that the appeasement of Senator STENNIS is back of the decision.

Champions of Action for Progress describe it as a "blue ribbon" group of white and Negro leaders. The group was quietly organized several weeks ago when the economic opportunity office first indicated that the Child Development Group would not receive further funds.

Action for Progress is the first state-recognized organization bringing together moderate and liberally inclined white business and civic leaders of the state and Negro leaders with a substantial following.

Its present board of 12, to be expanded to 18, is headed by Owen Cooper of Yazoo City, one of Mississippi's most powerful white industrialists, and Aaron Henry of Clarksdale, state president of the National Association for the Advancement of Colored People, whose organization has been fought in the past by Mississippi politicians.

Other members on the board include G. L. T. Smith, Jackson Negro businessman and longtime leader in the civil rights movement; Dr. W. P. Davis, white Baptist minister and president of the Mississippi Baptist Seminary for Negroes; Leroy Percy, Greenville banker and land owner whose family is part of the pioneer stock of the Delta country; Hodding Carter 3d, Greenville newspaperman, Democratic leader and liberal spokesman; Oliver Emmerich, McComb editor and publisher; Oscar Carr, Clarksdale cotton planter; Charles Young, Meridian Negro businessman and chairman of the Mississippi Democratic Conference; the Rev. M. W. Lindsey of West Point and James Gilliam of Clarksdale, a Negro Masonic leader.

Six members of the board will be drawn later from the poor in the poverty "target areas" in the state.

Gov. Paul B. Johnson, who is committed to a campaign pledge that he will never appoint a state biracial commission, has nonetheless endorsed the board and approved its incorporation charter.

That white leaders in Mississippi would sit down with widely known Negro integration leaders was unthinkable in the recent past. "It's still difficult to get people who have a lot to lose even at this stage of the game to do it," said a key figure in the group.

But the reaction in still-segregationist Mississippi to the new group has been unbelievable.

"I've only had one nasty letter," said Mr. Cooper, the chairman of the group, and "otherwise I have had nothing but a favorable reaction."

[From the Washington Post, Oct. 13, 1966]

MANNA FROM OEO FALLS ON MISSISSIPPI

(By Nicholas von Hoffman)

JACKSON, MISS., October 12.—Poverty gold is falling over Mississippi.

Nearly $12 million of it has been dropped on the State by Sargent Shriver and his Office of Economic Opportunity in five hasty and hectic days of philanthrophy.

In at least one case the recipients got their money before they had signed an application for it.

Rust College, a small Negro institution at Holly Springs, was granted $1,200,000 last Friday for an Operation Headstart program before OEO had received formal application for the money. The college's president, Ernest A. Smith, said he hoped to complete by today an application explaining how the money he has been given would be spent.

So anxious was Washington to get the green stuff off its hands that Jule Sugarman, national Headstart Director, dispatched a representative from his office to Holly Springs with orders to draw up preliminary plans and a budget within 18 hours. The resulting budget is more than $600 per child over the recommended OEO maximum figures.

It is generally believed here that the reason for the speed is OEO's desire to eliminate

the Child Development Group of Mississippi which has been running most of the State's Headstart programs. The theory in Jackson is that OEO wants to give all its money away so that there will be none left to give to Child Development.

OEO has been accusing Child Development of mismanagement of funds, of having its nursery schools infiltrated by Black Power cabalists, of being excessively centralized and even excessively decentralized. OEO's critics say the real reason Shriver wants to kill off Child Development is pressure from Mississippi's two segregationist Senators, JOHN STENNIS and JAMES O. EASTLAND, who have attacked the preschool program for children since its beginning two years ago.

The Rust College situation has a second shadow over it. The college's board chairman, W. Astor Kirk, is a Shriver employe. Reached in his Austin, Texas, office where he is OEO's Deputy Regional Director, Kirk appeared to be backing away from Washington's largesse. "I don't know what the decision of the Board will be on the grant" Kirk declared. "We meet on Oct. 26 and we'll decide whether or not to take it then."

College President Smith indicated something like abashed confusion: "We're sorry we got caught by a situation we weren't aware of. We weren't aware of all these political undercurrents."

A $700,000 money missile was landed on top of a group called Southwest Mississippi Opportunities on the strength of an application telephoned to Washington by a member of OEO's 15-man task force here.

The task force is an administrative pickup team rushed into the state a few weeks ago. Its director, Robert N. Moore, is a former Democratic congressional candidate from Tennessee who runs a 4-man management consulting firm out of Nashville and Atlanta.

"I don't think it would be correct to say that approval was given over the telephone," explained Moore, who used to be an OEO staffer, "but, yes, certain documents were transmitted telephonically."

The biggest stake in the OEO Klondike belongs to Mississippi Action for Progress. This group, which is so new only 11 of its 18 board members have been selected, met today in Yazoo City to discuss selection of an executive director to spend the first $3 million of a promised $10 million grant.

One of the local residents with Mississippi Action describes its genesis as follows:

"OEO got in touch with us. We didn't seek them out. That was in August. Their theme was always that the decision not to refund Child Development had been made. It was Sugarman and Berry (Theodore Berry is director of OEO's Community Action Program) who did the talking. Their whole thesis was for us to hustle it. They pressured us to make an announcement. They sent down two people from Washington to draw up our application.

"There still wasn't any board. We got together a rush-through charter. Most of it was copied from another organization's. We did it because some way had to be found to take care of the children."

FILING EVIDENCE OF FINANCIAL SECURITY BY CERTAIN OPERATORS OF OCEAN CRUISES

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 10327) to require operators of ocean cruises by water between the United States, its possessions and territories, and foreign countries to file evidence of financial security and other information, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BARTLETT. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Senators BARTLETT, MAGNUSON, and DOMINICK conferees on the part of the Senate.

NATIONAL BUSINESS WOMEN'S WEEK

Mr. PELL. Mr. President, I would like today to salute the National Federation of Business and Professional Women's Clubs, Inc., during their observance of National Business Women's Week.

During this week, approximately 177,500 members of the national federation—approximately 1,000 members in Rhode Island—will mark the achievements of all business and professional women in their communities, States, and the Nation.

I salute these women, who have striven since 1919 to elevate standards for the employed woman in her community and to expand her opportunities through industrial, scientific, and vocational activities. They have tried for years to establish conditions which assure both men and women the fullest opportunity and reward for the development of their capacities to the maximum potential.

I also salute these women who, as concerned citizens of the United States, work to strengthen the role of our Nation in world affairs.

We in Government are particularly aware of the crucial and often irreplaceable part that professional women play in the life of the Nation. It has been dramatized recently by President Johnson's determination to bring women into significant roles of leadership in the Federal Government.

Since January 1964, the President has appointed more than 125 women to high-level Government jobs. An additional 2,800 women hold Federal jobs paying more than $10,000 a year.

Knowing as I do the pace and high standards of the Federal bureaucracy, I am sure that these women would not be where they are if they were not competent and well trained, and professionally qualified.

The key to their accomplishments is, of course, education and professional training.

Women are playing an ever increasing role in our Nation's economy, as well as in civic and community activities, and I stand in favor of the amendment to the Constitution to provide equality of rights under the law to men and women. My name was recently added as a cosponsor of the resolution proposing this amendment. I applaud the efforts of the National Federation of Business and Professional Women's Clubs to achieve more uniformity in laws and regulations for men and women as to working hours, working conditions, rates of pay, equal employment opportunity, and uniform legislation for men and women in the areas of taxation and retirement.

I commend the "Business and Professional" on their great contribution to the national welfare and on their proud record as organized business and professional women over the past three and one-half decades.

EUROPE'S FUTURE

Mr. FULBRIGHT. Mr. President, several Senators have already commended President Johnson for his speech in New York last Friday on Europe. I would like to join in congratulating the President on a statement which emphasized Europe's future, rather than dwelling on Europe's past.

In discussing NATO, the President said:

> The Atlantic Alliance is a living organism. It must adapt to changing conditions.

I agree wholeheartedly. It has seemed to me that talk of "the crisis in NATO," engendered by President De Gaulle's withdrawal of French forces from NATO's military command, was both too broad and too narrow a phrase. It was too broad because it implied that we were at a decisive turning point, rather than at another stage in the evolution of our relations with our European allies. It was too narrow because the issues confronting us are not restricted to NATO but involve our policies toward all of Europe.

I have also felt for some time that it was too simple to blame President De Gaulle for the problems that have arisen in our relations with our European allies. He may have sharpened the issues, he may have acted precipitately and abruptly, but the questions he raised have long been pending. We do not answer these questions, or even understand them, by dismissing them out of hand. What has been needed, and I hope will follow from the President's statement in New York last week, is a more flexible and tolerant attitude in our relations with our European allies. For as one writer noted recently:

> If America wants Europe to be a partner, she must let it be itself and not what she chooses to make it.

As for our policy toward Eastern Europe, the President's speech showed clearly that we have determined, and I think wisely, to try to improve our relations with the Soviet Union and the Communist countries of Europe at a time when these relationships are badly frayed, largely as a result of the war in Vietnam. I support the President's determination to press for early action in the Senate on the consular convention with the Soviet Union and in both Houses of the Congress on the East-West trade bill.

The Foreign Relations Committee considered the consular convention carefully over a year ago and reported it favorably to the Senate. A majority of the committee was convinced that our ratification of the convention would serve the national interest. But for reasons which seemed to me to have been based more on emotional than on logical grounds, there were many who protested

against ratification of the convention and it was never submitted to the Senate for a vote. I am glad to see that the President leaves no doubt that the power and prestige of his office are behind the consular convention and the East-West trade bill. The other measures announced by the President seem to me to be eminently sensible and to speak for themselves.

I would like to make a brief comment on two other specific points mentioned by the President. In his speech, the President noted:

The importance of * * * measures to remove territorial and border disputes as a source of friction in Europe—

He said that—

The Atlantic nations oppose the use of force to change existing frontiers—

And he added that—

The maintenance of old enmities is not in anyone's interest.

The President has thus supported McGeorge Bundy's statement to the Committee on Foreign Relations, in our hearings on Europe last summer, that—

It would be helpful if German opinion could come to support a clear statement on the record of what we all know off the record: that when there is a peace settlement it will be built, among other things, on the present boundaries between Germany and Poland.

The President also commented on the military situation in Europe and stated that—

Reduction of Soviet forces in Central Europe would, of course, affect the extent of the threat facing the Atlantic countries.

He added that—

If changing circumstances should lead to a gradual and balanced revision in force levels on both sides, the revision could—together with the other steps that I have mentioned—help gradually to shape a new political environment.

A number of Senators have recently sponsored a resolution expressing the sense of this body that United States forces in Europe be reduced. I hope that we will not wait for the Soviets to act first. I do not think that they can be the first to act, for they could then be accused of making it possible for the United States to increase the strength of its forces in Vietnam. On the other hand, were we to reduce first to a degree that would not jeopardize the security of Western Europe, I think that our action would create pressures in those Eastern European countries where Soviet troops are now stationed—pressures that would make it difficult for the Soviets not to follow suit. In pursuing such a course, however, we must make it clear that any reduction in our Europe-based forces is determined wholly on its merits and is not related to our policy in southeast Asia.

In sum, I believe President Johnson's speech reflects a statesmanlike approach to our relationships with the Europe of today—not Europe as it has been in the past or Europe as we have sometimes wished it to be but Europe as it is now—more than 20 years after the end of the war.

INDIAN POLICY—1966

Mr. McGOVERN. Mr. President, President Lyndon B. Johnson gave forceful testimony to the needs of our first citizens—the American Indians—in his comments during the swearing-in ceremony on April 27 of Robert L. Bennett as Commissioner of Indian Affairs. The President said:

In 1966, the year that is known as the most prosperous year that the United States of America ever enjoyed, Indians on reservations this year have the lowest standards of living in the entire United States.

I concur with this observation and cannot help but compare the incongruity of the Indians' low standard of living with the affluence of most other Americans.

The President made other notable statements on that occasion which I believe are worthy of the attention and consideration of my colleagues in the Senate.

On most of the reservations in this country—

He said—

90 percent of our Indians do not today have decent housing in the year of our greatest prosperity. If we can't do it now, when can we do it? On some reservations, large Indian families have annual incomes of less than one-quarter of the national average for the whole country. Now that is something that we ought to be concerned about.

President Johnson gave the newly appointed Commissioner a clear mandate on his responsibilities with these instructions:

Commissioner Bennett, your President thinks the time has come to put the first Americans first on our agenda. And we are going to give you that job this morning as soon as you are sworn in. From this hour forward, we are going to look to you to discharge that responsibility.

The tenor of the future program for Indian people was set when the President said:

And I want it to be sound, progressive, venturesome, and farsighted.

I was heartened that our Chief Executive pledged the full weight and influence of his office to the Commissioner's efforts to improve living conditions of Indians with the statement:

I want, during my Administration, the time that I am allotted to put an end to substandard housing and substandard programs. I am going to depend on you to tell me what needs to be done not only by your Bureau, but by the other Departments and agencies of this Government. I want to give you my pledge here this morning that if you fulfill this charge, you will have the full power of the institution of the Presidency of the United States behind you.

I commend President Johnson for his incisive remarks concerning this perplexing and long-standing problem. I know his statements have given renewed hope and encouragement to Indian people who are earnestly striving to improve their status in life. And in addition, they are striving for their rightful share of responsibility in attaining this goal.

In view of these inspiring remarks from our Chief Executive, I deem it timely and essential that Congress consider a new Indian policy statement which will demonstrate to all citizens the Nation's desire to overcome the depressing situation so vividly described by the President. But before setting forth my views and proposals on Indian policy, I want to discuss some of the historical factors including congressional actions that have played a part in determining Indian problems today. Also, I believe it would be useful to consider the dimensions of these problems and to look into several areas where progress has been made in recent years. This background will provide us with a better understanding of major aspects of our Nation's Indian policy.

HISTORICAL PERSPECTIVE

No other group of citizens stand in precisely the same relation to the Federal Government as do the Indians. The unique nature of this relationship is deeply rooted in treaties and laws of the United States which gives the Federal Government responsibility for the protection of Indians and their resources. It is from this base that a wide range of services—Federal, State, and local—have developed and are directed to Indian people for their improved welfare.

It is probably more than coincidence that the British, the Colonial, and later the U.S. Government looked upon the Indian tribes as sovereign nations and dealt with them through treaties and diplomatic service. For a period of time at least, Indian tribes maintained a numerical superiority over the early settlers. The first settlers were faced with the task of not only maintaining a livelihood on a harsh frontier, but in establishing friendly relations with the tribal groups.

These factors undoubtedly influenced our original liberal and permissive Indian policy which was embodied in the Northwest Ordinance of 1787.

The utmost good faith shall always be observed towards the Indians; the ordinance stated, their land and property shall never be taken from them without their consent; and in their property, rights and liberty, they shall never be invaded or disturbed, unless in just and lawful wars authorized by Congress; but laws founded in justice and humanity shall from time to time be made for preventing wrongs done to them, and for preserving peace and friendship with them.

But as the years passed, the Colonies grew into a nation and the balance of power shifted from the Indians to the whites, creating a changing pattern of relationships between the two groups.

This policy and many others were to give way to the land hunger of the advancing frontiersmen and other requirements for development of the Nation. And for the majority of tribes, the 19th century was characterized by military conflicts, physical and social upheaval, excessive disease and illness, severe reduction in numbers, broken promises by whites and Indian alike, and always the ultimate defeat from the endless waves of settlers who were destined to occupy the vast new Nation.

The cumulative effects of these long years of hardships had by 1900 reduced this once proud people from an estimated

1 million persons to 250,000. All semblance of former tribal governments had long since vanished and traditional social and cultural patterns were undergoing rapid change. The reservation system and the Indians' dependence on the Federal Government for livelihood had become a way of life for all but a few Indians. The roots of the many faceted Indian problem had taken hold; and half a century later stubbornly resist solution.

The individual rights of Indians were recognized by Congress in 1924 with the enactment of a law declaring that all Indians born in the United States are citizens without giving up their tribal affiliations. Also in the 1920's, increasing public concern over the plight of Indians led to the Department of Interior entering into a contract with the Institute for Government research to undertake a comprehensive survey of social and economic needs of American Indians. The report of this survey, "The Problems of Indian Administration," often referred to as the Meriam Survey in honor of Lewis Meriam who directed the survey, is to this day considered one of the most penetrating and comprehensive studies ever made of Indian problems and possible solutions.

The Meriam Survey served as the basis of a progressive Indian policy initiated in the early days of President Franklin D. Roosevelt's administration. This policy was predicated on a "reservation development" theme and was incorporated in the Indian Reorganization Act of 1934. This broad legislation provided for immediate cessation of land sales; and established the procedures and financial resources for tribes to consolidate land holdings for economic development. It also led to an expansion of other social and economic programs to improve the well-being of Indians.

Perhaps of equal significance was the extension of the Works Progress Administration's constructive efforts onto reservations. This program found popular acceptance on reservations, and provided gainful employment for many Indians.

Through improved tribal governing units provided for in the Indian Reorganization Act, Indians were given an opportunity to improve their living conditions by management of their own resources and affairs. While not without problems, progress was achieved under this policy by 1940. The demands of World War II interrupted these programs, however, and the momentum was not recovered with the end of the war.

Progress under the Indian Reorganization Act of 1934 was followed by an abrupt policy change with the passage of House Concurrent Resolution 108, 83d Congress, August 1, 1953. This resolution declared it to be the policy of the Government to withdraw Federal responsibility and services for Indians at the earliest possible date. Indians and their friends in Congress objected to the arbitrary actions under the authority of this resolution.

Under this "termination" policy, Federal responsibility and services for several tribes was ended without their consent during the 1950's. This ill-advised action has resulted in near economic chaos for the once economically stable Menominees of Wisconsin. My fellow Senators from this State have worked diligently to repair the damages from termination for a tribe well on the road to self-sufficiency, but still in need of Federal support to attain this goal.

Another feature of the policy of the 1950's encouraged the relocation of thousands of Indian families from reservations to urban areas where employment was alleged to be more readily available. This experiment has proven to be an expensive exercise in human misery for the Indians and in wasted dollars for the Government. Far too many of the Indians so relocated were totally unprepared through education or vocational training to secure steady employment to support a decent standard of living in urban centers. Many were swallowed up in the slums and ended on "skid row." Many others returned to reservations, while a sturdy few have maintained some standard of decency.

The overriding objections of Indians, many organizations and Congress were soon recognized and in a landmark speech at Flagstaff, Ariz., on September 18, 1958, Secretary of the Interior Fred A. Seaton, emphasized there should be no termination without the consent of the Indian tribes affected and efforts should be focused on health, education, and development of economic opportunities. Thus ended another policy era of this Government in its dealing with Indian people.

Senator John F. Kennedy, during his campaign for the presidency in 1960, pledged a more constructive Indian policy for America's first citizens. His pledge was carried out by Secretary of the Interior Stewart Udall, who took immediate steps to establish a task force on Indian affairs early in 1961. The task force was charged with the conduct of a thoroughgoing review of modern-day Indian problems and the development of recommendations for the most constructive and practicable program which could be undertaken by the Government in behalf of Indians.

The report to the Secretary of the Interior of the Task Force on Indian Affairs, July 1961, shifted from the termination of Federal responsibility to the following objectives: First, maximum Indian economic self-sufficiency; second, full participation of Indians in American life; and third, equal citizenship privileges and responsibilities for Indians. This policy was widely acclaimed by the Indians as a "new trail" for self-sufficiency and dignity.

Besides serving as the basis for the expansion and improvement of traditional Indian service programs, this policy paved the way for application of New Frontier and later Great Society programs on reservations in a renewed effort to break the chronic grip of poverty on Indian people.

A small but important start was made toward improved housing for Indians with the initiation of public housing on the Pine Ridge Reservation in my home State of South Dakota. This project ignited a spark of desire for better homes for Indians with similar projects taking shape elsewhere.

With the increased emphasis placed on the needs of the poor through passage of the Economic Opportunity Act of 1964, Indians moved to join in the war on poverty. Many of OEO's real success stories are being written by Indians.

The Bureau of Indian Affairs must be prepared to assist in the coordination of these and other Government programs to assure maximum effectiveness.

PROBLEMS AND PROGRESS

With this brief historical sketch, let us look at the outlines of the job we have to do. In addition to identifying selected social and economic problems found in undue proportions among Indians, I believe it will be beneficial to mention progress and improvements in certain problem areas to demonstrate that while the so-called Indian problem is difficult and complex—it is not insoluble.

Almost 400,000 American and Alaska natives live on or near Indian reservations and continue to maintain a special relationship with the Federal Government. It is because of this relationship and their overriding problems that they receive a variety of Government aids and services. Unfortunately, these people have been sealed off from society for decades, and have failed to share equally in the tremendous progress attained by our Nation. This point can be further illustrated by noting that adult Indians living on reservations today are, as a group, only about half as well educated as other citizens, have approximately two-thirds the life expectancy, and are receiving between one-third and one-fourth as much income.

From the moment he is born, the Indian infant is at a disadvantage compared to his non-Indian neighbor. As a result of sharing space with from 5 to 10 members of his family in a house that is unfit for habitation; deplorable sanitary conditions; polluted water; insufficient food to provide basic nutrition; his chances of making it through the first year are only half as good as his non-Indian neighbor.

I have had the experience of visiting Indian reservations in my State, and elsewhere in the country, where the level of living was not one whit better than in some of the most severely underdeveloped countries of the globe.

The Indian boy's family does not want it that way. But there has been little they have been able to do about it. They are totally unprepared to obtain the resources to overcome these problems in a way they would like. As a matter of fact, it is only with the greatest sacrifice that parents are able to keep the family together at all.

The family is the victim of its community's inability to provide jobs. These communities cannot provide jobs for a number of reasons not the least of which are untrained workers; a work force without a history of long-term steady employment; inadequate community facilities to support industries; excessive communicable diseases among the work force; and limited transportation and

communication systems necessary for industrial development. The effect of this situation is that the head of the Indian family has less than a 50–50 chance of having and holding a job. He cannot know the satisfaction of bringing home a regular paycheck; his wife cannot know the security of having that paycheck to meet the family's basic needs; his children are hungry and poorly clothed.

The problems of the individual Indian, his family and his community are inseparable. They can be met only with a coordinated attack.

But in spite of problems, considerable progress has been made in improving life in Indian communities. Progress has been the result of a partnership among many agencies and organizations. The mix of resources and their distribution in the most useful manner in meeting the problems of the individual, his family and his community is increasingly influenced by the growing and important role of tribal governments within this partnership.

Tribal officials being in close personal touch with their constituents and being products of their environment know not only that they must play a central role in this partnership, but actively seek and pursue that role.

As a native of South Dakota, I have known Indian people and shared problems with them all my adult life. It has been my pleasure in recent years to witness progress on the reservations in my home State.

For example, on the Oglala Sioux Reservation in South Dakota, the setting in which the individual and his family live have been vastly improved through the construction of safe water supplies, sanitation systems and the construction of 150 homes for families in need. For the first time, these families are modestly but decently housed as a result of the extension of public housing to an Indian reservation. This had not been done elsewhere before. New schools have been built by the Bureau of Indian Affairs. The Public Health Service hospital at Pine Ridge is among the best in the southwest part of the State and serves as the base of operations for an expanded and improved curative and preventive health program. An industry has been attracted to the reservation. The Wright Magill fishhook factory provides steady jobs for tribal members. Bureau of Indian Affairs skills training programs have been accelerated.

Other reservation needs which cannot be met by public agencies are being served through the programs of the Office of Economic Opportunity. Notable among these are Neighborhood Youth Corps, Community Action, Headstart and VISTA programs.

Let me say parenthetically here, that these economic opportunity programs have been of enormous benefit to the Indian citizens of South Dakota. We have been made aware, in recent months, of some of the criticism of that program; but I can only say from my own experience that it has been of inestimable benefit and value to the Indian people of my State.

These are illustrative of the many changes on this and other reservations in South Dakota.

As a result of these forward strides, for the first time in my memory, Indian people everywhere are turning their attention away from problems of the past, putting aside feelings of hopelessness, and addressing themselves with confidence to their responsibility as partners with the Federal Government in attacking and solving their chronic problems.

FUTURE POLICY CONSIDERATIONS

As previously noted, our Indian policy since 1960 has turned in a favorable direction, and is now characterized by a wide range of constructive Federal programs and services available to Indian citizens. The tribal governing units established under the Indian Reorganization Act of 1934 constitute political entities through which these services have been organized into meaningful attacks on the chronic conditions of poverty in many Indian communities. The encouraging progress achieved through this approach must be maintained and accelerated so that all Indians may share in the great social and economic advancements of our Nation.

I consider it crucial that we in Congress adopt a new national Indian policy statement at this time to demonstrate to Indian people and other citizens the seriousness of our desire to continue development of programs and services that will assure solution to the longstanding problems of Indians. By setting forth with clarity the perimeters of our Indian policy, it will be possible to hold the executive agencies accountable for their work in Indian communities. A sound and constructive Indian policy statement from the Congress will support President Johnson's firm instructions to the Commissioner of Indian Affairs to put the first Americans first on our agenda. And finally, a new Indian policy will assure us of greater participation and cooperation from the Indians themselves in the Government's efforts to improve their well-being.

For a new Indian policy to be truly effective, it must reflect certain favorable characteristics that I want to offer for your consideration.

First. Self-determination: I believe the foremost characteristic of our Indian policy should be self-determination for the people it serves. Too often in the past the Federal Government has done what it has thought best for Indians, with minor regard for the hopes and aspirations of the Indians—with very little effort made to listen to the thinking and determine the wishes of the Indians.

Many of our foreign aid endeavors are predicated on the principle that disadvantaged people will respond more readily to constructive programs when they participate in planning objectives and goals. Certainly we can afford to do no less for the first citizens of this Nation.

We should insist that reservation development plans be worked from the "grassroots" level upward, rather than evolving as creatures of Washington superimposed on reservations with little or no Indian involvement.

Instead of constantly espousing the attributes of "mainstream" society to Indian people, we should offer the programs and services that will permit the growth of a healthy and productive individual. When this is successfully accomplished, the Indian can then determine his own "mainstream," which may be in urban America or in a useful capacity on his home reservation.

Second. Self-help: The second most desirable characteristic of our Indian policy should be self-help. The tribal groups who have been motivated to assume this trait have shown growth and progress toward self-sufficiency. I believe that great care must be exercised by program administrators to devise ways in which the tribal groups may demonstrate self-help in order to achieve maximum benefits from programs.

No program should be conceived that does not make provisions for tribes to exercise this important trait. Admittedly, some few tribes still harbor deep resentment and suspicion toward the Federal Government and experience difficulty in working with them cooperatively; in these instances Federal officials will be challenged to administer their programs in a manner to motivate greater effort by the Indians.

Third. Consistency: Perhaps at no other time in history is there a more paramount need for a constructive and consistent Indian policy. All areas of Indian living when compared to the general population are so substandard they almost defy comprehension. It is inconceivable that during our country's period of low unemployment, excessive unemployment rates are commonly accepted on many reservations. And regrettably, rates of 90-percent unemployment can still be found on some Indian reservations in the world's richest Nation.

As I noted earlier, our Indian policy has again turned in a positive direction and has opened a wide range of programs and services which hold great promise for Indian people. Moreover, the Indians have generally gained newfound respect and confidence in the Federal Government and have joined on a cooperative basis to overcome reservation problems. The thrust of this approach must be maintained.

There will be those who urge relocation, termination, and other schemes to solve Indian problems. But these approaches in the past have only retarded progress.

It is possible that some tribes may be considered capable of assuming full responsibility for their affairs. When such developments occur then orderly plans should be developed to relieve the Federal Government of further responsibility for their welfare. When tribes petition to end their special Federal relationship, they should, of course be given that opportunity.

But I will oppose any general arbitrary policy of termination for the groups whose social and economic conditions require long-range Federal assistance.

Fourth. Adequacy: Indian needs are no longer responsive to the one-to-one approach between them and the Bureau of Indian Affairs. To effectively engage

in all-out war against poverty on reservations, the services of other Government agencies, as well as Indian participation, will be required. Therefore, the proper balance of programs must be directed to the problems of Indians to realize success. This will require more than a modest investment of Federal appropriations.

We are oftentimes reminded of the cumulative expenditures made in behalf of Indians over a period of years. I concur that the expenditures have been large, and might questionably have been better administered in some cases. But we should not lose sight of the severity and longstanding nature of Indian problems which contributes to their cost.

For our Indian policy to be truly effective and support the wide variety of programs that will enable us to strike at the very heart of the social ills that retard Indian progress, we must be prepared to appropriate increasing sums of money in the years ahead.

Fifth. Innovation: Because the Office of Economic Opportunity was willing to offer Indian people new and innovative approaches in the planning implementation and administration of its varied program, that agency has enjoyed unusual success in its work on reservations. It is my belief that OEO has set new program standards for other agencies to follow in working with Indian people.

No longer will tribal leaders and rank and file members be satisfied with Federal officials who do not offer them similar experiences in program development. As I stated earlier, Indian people are striving for their rightful share of responsibility in efforts designed to improve their welfare. The Office of Economic Opportunity has helped to ignite this spark of enthusiasm, and I am hopeful the other agencies will capitalize on it in the conduct of their programs.

Because of the unusual degree of socioeconomic problems on reservations, imaginative and dedicated personnel in Government agencies have a unique opportunity to develop and test new methodology in their various programs. Techniques and methodology developed in Indian programs have potential for application on a national basis. I suggest that this unique opportunity be explored more fully by program administrators.

I believe that many tribal groups have developed their capabilities to a level where Government agencies should consider arrangements whereby contracts would be established with tribal governing units to allow them to administer programs in whole or part. If additional legislative authority is required by the agencies to accommodate this approach, they should submit such proposals to the Congress for consideration.

Sixth. Geographical orientation: The major thrust of our Indian policy and the necessary programs must be directed to the solution of Indian problems in the settings where they occur. Stated more directly, this means that maximum efforts must be undertaken by the Government to develop Indian resources to enhance employment possibilities locally; and to provide adequate education and vocational training opportunities for Indians who may ultimately choose to live and work in communities removed from their reservations.

When the tragic conditions of the Appalachian States came to the attention of Congress, we did not respond by proposing wholesale relocation of the population from these areas to others where "employment" was available. Instead we responded by passing the Appalachian Act of 1965, one of the greatest regional development proposals ever enacted into law. In addition, we are also considering S. 2934, the rural community development bill, which will provide new impetus and direction for antipoverty programs in rural America.

With our national economic development efforts being directed to depressed areas, our Indian policy should reflect the same trend and seek to solve problems in Indian communities, rather than relocating untrained Indian people to cities where far too many trade reservation poverty for urban poverty.

Seventh. Efficiency: And finally, our Indian policy should reflect efficiency of operations through the various programs and services for Indian people. I am impressed with new administrative and management techniques being developed and implemented by the executive branch of Government. Notable among these developments is the planning, programing and budgeting—PPB—concept with its cost-benefit analysis feature. This approach offers a means of measuring the effectiveness of program operations in relation to costs.

Through improved management tools such as this, the Bureau of Indian Affairs and other agencies conducting programs on Indian reservations will be better prepared to undertake meaningful evaluation of their operations. The potential for increased efficiency is outstanding.

CONCLUSION

The features of the type of Indian policy referred to in my statement are incorporated in a Senate concurrent resolution which I am introducing today. This resolution will, in my opinion, set the course of Indian affairs in a direction that will ultimately assist Indians in gaining a social and economic status equal to that of other citizens. This is a goal that is long overdue for our first citizens.

I am hopeful that a number of Senators on both sides of the aisle will join with me in cosponsoring this resolution to give it the attention and support it deserves.

I ask that the concurrent resolution lie on the table for 5 days for possible cosponsorship of other Members of the Senate.

The PRESIDING OFFICER. The concurrent resolution will be received and appropriately referred; and, without objection, will lie at the desk as requested, and, under the rule, will be printed in the RECORD.

The concurrent resolution (S. Con. Res. 114) was referred to the Committee on Interior and Insular Affairs, as follows:

S. CON. RES. 114

Resolved by the Senate (the House of Representatives concurring),

Whereas it is recognized by Congress that American Indians and Alaska natives (Eskimos, Indians, and Aleuts) suffer from adverse economic, health, education, and social conditions which prevent them from sharing equally in the great social and economic advancements achieved by our Nation; and

Whereas it is the understanding of Congress that periodic reversals in our Government's Indian policy throughout the years have ruled against full development of the human and economic potential of Indian communities, thus prolonging the aforementioned deplorable conditions; and

Whereas improved and expanded services in Indian communities in recent years through direct Federal Indian service programs and a wide variety of other services have begun accomplishing encouraging breakthroughs: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) the deplorable conditions of American Indians and Alaska natives can only be alleviated through a sustained, positive, and dynamic Indian policy with the necessary constructive programs and services directed to the governing bodies of these groups for application in their respective communities, offering self-determination and self-help features for the people involved; and that our Government's concern for its Indian citizens be formalized in a new national Indian policy so that the beneficial effects may be continued until the day when the Nation's moral and legal obligations to its first citizens—the American Indians—are fulfilled.

(2) modern day needs of Indian people are no longer responsive to the programs and services of the two major Federal Indian service agencies alone (the Bureau of Indian Affairs and the Division of Indian Health), but the complete solution of Indian problems will require new and innovative services for the full development of Indian and Alaska native people and their communities, and that the Bureau of Indian Affairs, because of its traditional role in the Indian field, access to important records and direct relationships with tribal officials, should be charged with the important responsibility of coordinating the wide range of Federal, State and local resources.

(3) Indian and Alaska native governing bodies should be recognized as having the full authority to determine the extent and manner of utilizing all available resources for their communities.

(4) American Indian and Alaska native property will be protected; that Indian culture and identity will be respected; that the necessary technical guidance and assistance will be given to insure future economic independence; that continued efforts will be directed to maximum development of natural resources; that inadequate and substandard housing and sanitation will be corrected; that a comprehensive health program incorporating and assuring curative and preventive physical and mental health will be further developed for Indian and Alaska natives; and that a long-term general, vocational, technical and professional education program will be encouraged and developed for both old and young American Indians and Alaska natives so that they may share fully in our society;

(5) the Secretary of Interior should periodically review all the activities of the Commissioner and Bureau of Indian Affairs to assure Congress of maximum utilization of Federal, State and local resources for In-

dian and Alaska native well-being; and that the Secretary should submit an annual report with necessary legislative recommendations to Congress to indicate the manner in which the intent of this resolution is being carried out; and

(6) American Indian and Alaska native communities should be given the freedom and encouragement to develop their maximum potential; and that Congress will support a policy of developing the necessary programs and services to bring Indians and Alaska natives to a desirable social and economic level of full participating citizens.

Mr. KENNEDY of New York. Mr. President, I commend the Senator from South Dakota [Mr. McGOVERN] for bringing to the attention of the Senate this important and vital problem. If there is any matter that should be on the conscience of every American it is our treatment of the Indians. The first inhabitants of the United States have received practically no attention and help up until the last few years. They have had no spokesmen in the Senate, the Congress, or any branch of the Government who could fight and work for them. That is partially due to the failure to have a franchise in many areas of the country and the lack of large numbers to create more attention on their problem.

Mr. President, it is most worthy for the Senator from South Dakota [Mr. McGOVERN] to rise on the floor of the Senate and once again remind not only Senators, but all of the Congress, the executive branch of Government, and the American people of this neglected group in our population.

I know how interested President Kennedy was in this problem. One of the major reasons he was interested in having the VISTA program was so that he would have young men and women available to go and work with the Indians.

The Senator from South Dakota [Mr. McGOVERN] has pointed out in his speech how concerned President Johnson is in having more attention on this very important and neglected area.

Mr. President, I think that the Senator from South Dakota has performed a real service not only for the Senate but for all of the people of this country by stating the problem in an effective and articulate way so that we can now take the kind of action he is outlining and suggesting to the Senate.

Mr. McGOVERN. I thank the Senator from New York for his helpful and encouraging comments. The concern of the Senator with the well-being of American Indians and other minority groups is well known both during the time that he served in the executive branch, in an important position, and since he has come to the Senate.

Mr. President, I appreciate the comments of the Senator.

Mr. KENNEDY of New York. Mr. President, will the Senator yield so that I may add one comment?

Mr. McGOVERN. I yield.

Mr. KENNEDY of New York. The services performed by the Senator from South Dakota in the Senate are most helpful. Also, we should take recognition of the great effort that has been made by the junior Senator from Oklahoma [Mr. HARRIS], and particularly by his wife, Mrs. Harris, who has really been a most effective spokesman for this neglected group in our country in modern times.

While we are focusing attention in this regard, we should also focus attention on this proposal. In addition, we should give recognition to so many who did so much for the American Indian.

Mr. McGOVERN. Mr. President, I fully concur with the statement of the Senator. The Senator from Oklahoma [Mr. HARRIS] is now presiding in the Senate. I am privileged to have the opportunity to speak on this subject while he is in the Chamber because of the leadership that he has provided during all of the time that he has been in the Senate in connection with Indian affairs.

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

Mr. McGOVERN. I yield to the Senator from Oklahoma.

Mr. HARRIS. I want to join with other Members of the Senate in expressing my especial commendations to the distinguished Senator from South Dakota for his excellent address here on the floor of the Senate today and for his work over the years, both as an individual and as a Member of the Senate of the United States, in the problems which concern this country, relating to our Indian citizens.

I am particularly impressed by the recommendation of the distinguished Senator from South Dakota that this country needs to express, through the Congress, a new statement of Indian policy. I have had the same feeling that the Senator from South Dakota has had; that is, that the country has never been quite sure of what our policy should be with regard to the American Indian and that we have vacillated back and forth. We have never been quite sure whether we wanted to make the American Indian into a middle class white man—that would be wrong, because pride of heritage is a powerfully motivating factor and a man's right to be different and distinct is a fundamental right—or whether we wanted to keep the Indian as a sort of quaint, curious tourist attraction. I think that is wrong, too; all our people should have an opportunity to become a part, if they so desire, of the mainstream of the American culture and economy.

I think it is imperative that we do adopt and state a new national Indian policy, and I think the Congress is the proper place for that to be done. I think we ought to recognize that that policy ought to be, in general, as is generally stated by the Senator from South Dakota in the resolution which he introduced, one of making contact between Indians and non-Indians mutually easy—I am not saying required, but mutually easy, comfortable, rewarding, and worthwhile.

I think to do that we must recognize that we are talking about attitudes. We are also talking about opportunity, preparation, and motivation. But, basically, what we are talking about is attitudes of Indians and attitudes of non-Indians.

I think the basic problem is that Indians are isolated from non-Indians. I do not mean physically isolated only in the sense that Indians live on reservations, but I am also talking about isolation, whether they live next door, down the block, or sit next to us in school. This isolation is partly self-imposed because of cumulative disappointments. I do not think we can or should end that isolation by requirement, but by preparation, motivation, opportunity and change of attitudes.

I am also impressed by what the distinguished Senator says about the new stirring which is taking place in this country, the innovations in thinking in regard to Indians, and the great part that the U.S. Office of Economic Opportunity has had to play in it.

There was a time, as the Senator knows, when the Bureau of Indian Affairs felt a little possessive about their charges, their jurisdiction but now they are going out to meet the people from the OEO more than halfway. We must recognize that American Indians are primarily, first and foremost, American citizens, different only in ways which ought to be a source of pride, motivation, and contribution to the American community; that American Indians are entitled to all the services that this Government offers.

That is an important part of the speech of the Senator. We must marshal all of the various programs already in being and bring them and our Indian citizens together, keeping in mind the peculiar and particular problems of American Indians.

I think that there is a new stirring throughout this country, as well as in the Bureau of Indian Affairs and the Office of Economic Opportunity. I think it is most timely that the Senator should make this speech while the Bureau of Indian Affairs is in the process, with its new people, of formulating a new program to present to Congress after the first of the year. I will certainly join, under the leadership of the distinguished Senator from South Dakota, in trying to see that Congress does do what he thinks should be done—to state a new national Indian policy, and to embrace the new, innovative, and progressive ideas which I hope will be brought to us by the Bureau of Indian Affairs and other organizations within the Federal Government.

So I rise to commend the Senator, and to say that his speech is very timely, his judgment is good, and his interest is well founded, as it has been for many years in the past.

Mr. McGOVERN. I thank the Senator from Oklahoma for his more than generous comments about what I have tried to say here this afternoon.

I recall that the Senator delivered a very memorable address on the whole problem of Indian affairs and the challenge that we faced in that field some months ago on the floor of the Senate. Though I was not present the day he spoke, I had the privilege of reading his speech, and believe that it was a landmark speech in the field.

I did have the privilege of witnessing the Senator from Oklahoma in a television interview some time after that, and was very much impressed with not only

his grasp of the problem which faces us in this area, but with the depth of concern and dedication he expressed.

I thank the Senator for his comments here today, and for his long months of leadership and the attention he has brought to this problem.

Mr. HARRIS. I thank the Senator. Will the Senator yield further?

Mr. McGOVERN. I am happy to yield.

Mr. HARRIS. I appreciate the Senator's comments about me.

The Senator from South Dakota has reservations in his State. We do not have them in Oklahoma. I think that in many ways, historically, that fact turned out to be very fortunate for us, because we do not have the physical separation—though, of course, that is a matter for the people themselves to determine, and does not enter into our discussion at all.

But I wish to ask the Senator a question about off-reservation Indians. I think we sometimes tend to overlook the fact that when a person leaves Oklahoma, or leaves the South Dakota reservation, and goes to, let us say, Chicago or Los Angeles, into an urban situation, he, of course, has problems in connection with the matter of urbanization; but it seems to me that he has special problems if he is an American Indian. I wonder if the Senator would agree with me that perhaps, in the proposed new policy toward American Indians, we ought to have some special attention paid by the Bureau of Indian Affairs to the Indian who has moved into an urban, off-reservation situation for the first time, and who may need guidance, advice, and suggestions as to where to find the necessary services for obtaining jobs, training, housing, and health and other services.

Mr. McGOVERN. I think unquestionably the Senator's point is well taken. There is no doubt at all that there is a difficult transition period for any person who changes his surroundings and moves into a new area, particularly in moving from a rural or sparsely populated area into a large urban area. There are psychological, economic, and social problems that would face us all in a situation of that kind.

I think it is especially true with the Indian who comes into that new situation with half the education, on the average, of the white citizen; who comes from a background of bad housing, bad sanitation, bad health, bad education, lack of training of all kinds, lack of schools, and lack of job experience. So that individual, who by reason of great courage or for various other reasons is brought into a new environment in one of the cities of our country, desperately needs the special attention and special encouragement that could be given, in some cases, by the Bureau of Indian Affairs, or it might be that the Office of Economic Opportunity would be another agency whose efforts could be brought into play.

Somewhere, there has to be a coordinator. I think the logical focus for such efforts is the Indian Bureau. They can get valuable assistance from other agencies of the Government and private organizations, but the basic responsibility, as I see it, still rests with the Bureau of Indian Affairs, which deals with the Indian on the reservation, or the Indian living, as he does, in nonreservation status in Oklahoma, or the transposed Indian citizen in the great cities of this country.

Mr. HARRIS. I wonder if the Senator would comment on a rather disconcerting situation I have found, which I think indicates a regressive kind of philosophy that many of us non-Indians seem to hold about Indians. That is the idea that there are some kind of peculiar characteristics of Indians which make them particularly able to do handicrafts.

I have often talked with people about the need for greater job opportunities, and so forth, for Indians; and almost invariably, a very well-intentioned person will say, "Well, why don't we try to get some beadwork or tourist type craftwork for our Indians, who are very good with their hands?"

I might say that not only are such comments made by untrained people, but I read the other day a quotation about Indians from a Bureau of Indian Affairs official, who said:

> Indians are particularly good in industries which require manual work, because they are patient, and they have manual dexterity and good hand-eye coordination.

It seems to me that while that statement was meant to be helpful, it really is harmful to say that Indians are different from other people. That Indians could just as well be lawyers, doctors—and some are—business people, electronics workers, or whatever it might be, is, it seems to me, the kind of philosophy we ought to foster.

Mr. McGOVERN. I think the Senator's point is extremely well taken. We are inclined to build up stereotypes about worker groups, just as we do about people of other countries and other racial and ethnic groupings. Perhaps the farther away we are from the group involved, the more distorted our vision and our imagination tend to be.

There is no doubt in my mind that Indians have the same capacities as non-Indians in terms of their innate abilities to become professional citizens—to become teachers, lawyers, and doctors—not that those are any higher callings than those of people who engage in manual labor. But there is no reason to consign any group in this country to one particular profession or occupational level. Indians, in some cases, have achieved great professional or artistic attainment in various fields of endeavor, and they ought to be regarded both in terms of our attitudes and in terms of public programs in the same way that we treat other citizens.

Mr. HARRIS. Mr. President, would the Senator from South Dakota permit me to become a cosponsor of the concurrent resolution he has submitted?

Mr. McGOVERN. Mr. President, I am delighted to have the Senator from Oklahoma as a cosponsor. I ask unanimous consent that his name be added to the concurrent resolution.

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

Mr. McGOVERN. I thank the Senator from Oklahoma for his very helpful remarks.

Mr. HARRIS. I thank the Senator from South Dakota.

PROPOSED WHITE HOUSE CONFERENCE ON INDIAN AFFAIRS

Mr. HARRIS. Mr. President, I introduce, for appropriate reference, a bill on the same general subject as has just been discussed by the Senator from South Dakota. The bill is introduced on behalf of myself, the Senator from South Dakota [Mr. McGOVERN], the Senator from Wisconsin [Mr. NELSON], and the Senator from Alaska [Mr. GRUENING] to provide for a White House Conference on Indian Affairs.

I invite the attention of the Senate to the fact that in Oklahoma, by proclamation of the Acting Governor, this week is Indian Achievement Week, sponsored by an organization known as Oklahomans for Indian Opportunity. The week will close at noon on Saturday with a luncheon at Norman, Okla., at which the principal speaker will be the Secretary of Health, Education, and Welfare, Hon. John Gardner.

The bill I am introducing would provide grants of no less than $1,500, which would be made available to assist each eligible State to bring together, prior to the White House Conference, interested citizens to discuss local and State problems and to make recommendations for appropriate action to be taken at local, State, and Federal levels. The total sum called for in the bill is $100,000.

States eligible for the planning grant would be those with a meaningful Indian population, according to the latest figures certified by the U.S. Bureau of the Census, whether or not subject to Federal administration.

If a State undertakes to accept and use the sums made available to it, which will be paid through the Commissioner of Indian Affairs to the Governor or other designated State official, that State must report the findings and recommendations of its State conference for use by the White House Conference on Indian Affairs.

I hope that such State conferences will help to lay the groundwork for a well-reasoned, clearcut White House Conference before June 30, 1968. The State and National conferences would not only serve to bring into sharp focus the problems of Indians with regard to education, job training, job opportunity, economic development, and health, but would also afford opportunities for Indians of varying backgrounds and tribes and interested non-Indians to search for answers which would be mutually beneficial.

An official report of the U.S. Senate Interior and Insular Affairs Committee recently pointed out that American Indians still "remain at the bottom of the economic ladder, have the highest rate of unemployment, live in the poorest housing, and suffer chronic poverty." Uninvited, unprepared, partly unwilling,

the average American Indian has very little opportunity today to become a contributing member of the total community.

Although the American Indian is a full-fledged American citizen, and half his number live in metropolitan areas, he is still isolated from non-Indians.

I invite others of Senators to join with me in cosponsorship of this measure which is designed as a step toward helping to draw American Indians more fully into the mainstream of the American economy and culture.

Mr. President, I ask that the bill lie at the desk through the end of business on Monday, October 17, for cosponsors.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be held at the desk, as requested by the Senator from Oklahoma.

The bill (S. 3910) to provide for a White House Conference on Indian Affairs, introduced by Mr. HARRIS (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Indian Affairs.

TOBACCO

Mr. TYDINGS. Although repeatedly espousing the promulgation of policies to regain and expand foreign tobacco markets, the Department of Agriculture, on the other hand continues to deny the 5-percent export subsidy payment for Maryland tobacco.

In June of this year Agriculture officials emphasized that the United States has not shared in recent increases in world trade in tobacco. The U.S. share in free-world trade in tobacco has delined to 26 percent in 1965 from 35 percent during the years 1955 through 1959. Figures are available for Maryland tobacco exports from January to August of this year indicating a total volume of $4.93 million, as against $7.93 million in 1965. If this downward trend continues the loss could well reach more than half a million dollars. When one realizes tobacco is the only cash crop for the five southern Maryland counties, several of which have been classified as depressed areas by the Department of Commerce Economic Development Administration, the full impact and seriousness of this drain of export income begins to come into proper focus. To make the situation even worse, nearly 18 million pounds worth approximately $14 million, is being held awaiting shipment in the hope that the Department of Agriculture will grant the export subsidy to Maryland tobacco.

When the Department of Agriculture has publicly stated that their program of export payments was initiated because "the United States has not shared in recent increases in world tobacco trade," it is difficult to understand the Department's position preventing the subsidy for Maryland.

Used for many years by the Swiss as the principal ingredient in their cigarettes, Maryland tobacco has been gaining acceptance in other foreign markets such as Netherlands, Belgium, West Germany, Spain, Portugal, and others. A copy of a letter from a Portugese tobacco company has been made available to me indicating a drastic cutback, and evidence is expected from sources in Switzerland. Since Switzerland buys close to 70 percent of Maryland tobacco, and there has thus far been a decline of 42 percent for this year in Swiss purchases, it is immediately evident that the loss of the tobacco subsidy for Maryland will effectively gut the foreign market, lower the U.S. share in world tobacco trade, and result in severely depressed economy for all of the five southern Maryland counties.

The Department of Agriculture's reason for denying the export subsidy for Maryland tobacco does not cite statutory language, rules, regulations, or precedent to support their decision. In addition, at a recent meeting between the Maryland delegation and Mr. Horace Godfrey, Executive Vice President of the Commodity Credit Corporation of the Department of Agriculture, it was admitted that Department officials possess the authority to grant Maryland tobacco an export subsidy.

Title 15, United States Code, section 714(f) "Export or cause to be exported, or aid in the development of foreign markets for agricultural commodities" appears to be a clear mandate of Agriculture's responsibility, and is certainly not consistent with their position of denial of the export subsidy to Maryland tobacco, and to confuse this with other portions of section 714c, "Specific powers of corporation," or to find against a subsidy for export of Maryland tobacco on the basis of other powers of the Corporation, is to nullify the responsibilities so ably defined in section 714(f).

U.S.-OWNED VACANT LOT BARRED AS PLAYING FIELD

Mr. KENNEDY of New York. Mr. President, an article by William Raspberry in yesterday's Washington Post reports that the Capitol Police have forbidden a group of children from St. Peter's Church from using a church lot for a football field. I have looked into the situation and learned the following.

The lot in question is located at First and C Streets SE. The Federal Government acquired the land under the Supplemental Appropriations Act of 1961 (74 Stat. 513) for the proposed Madison Memorial Library, an annex to the Library of Congress. Under the act, it became part of the U.S. Capitol Grounds.

The police and the Office of the Capitol Architect have defended their action on grounds that there is a law against playing on the Capitol Grounds. The law in question is codified as section 214 of title 40 of the United States Code, and in fact it does not establish a total ban against the use of the Capitol Grounds. Rather it provides:

> It shall be the duty of the Capitol police to prevent any portion of the Capitol Grounds and terraces from being used as playgrounds or otherwise, so far as may be necessary to protect the public property, turf and grass from destruction or injury.

The key words are "so far as may be necessary to protect the public property, turf and grass from destruction or injury." Mr. Raspberry's article states:

> Philip Roof, executive assistant to Capitol Architect J. George Stewart, said there has been no particular problem with youngsters damaging the grounds. There is nothing, really, to damage.

Assuming that Mr. Roof has been correctly quoted, I believe that the law is clear and that the children should be permitted to use the grounds.

Vacant fields are not easy to find in Washington, D.C. When one is available, it should not be removed from use because of the whim of some public official.

I ask unanimous consent to insert the article in the RECORD.

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

U.S.-OWNED VACANT LOT BARRED AS PLAYING FIELD

(By William Raspberry)

St. Peter's Angels haven't exactly been told where to go, but they've been ordered to get the devil out of their former football paradise at 1st and C Streets se.

The Angels (top weight: 130 pounds) and a second St. Peter's team of 100-pounders had used the two-block lot for about five weeks. Police evicted them last Thursday.

The lot is the property of the U.S. Capitol, and there is a law against playing on the Capitol grounds. So now the lot—almost a park, really—just sits there, protected by battered signs that say "U.S. Property: No Trespassing."

"I don't know what we're going to do now," said the Rev. Patrick Durkin, pastor of St. Peter's Church. "We're sort of hung. We're trying to find out if maybe we can provide transportation for the kids to Turkey Thicket Park, at 10th Street and Michigan Avenue ne. The next closest vacant lot is in Anacostia."

The Capitol Hill lot once contained some of the area's most attractive row houses. They were torn down three years ago when the Government acquired the site for the proposed Madison Memorial Library, an annex to the Library of Congress.

Indications are that it will be at least a year or two before construction begins. In the meantime, the huge lot, a rarity in this crowded city, apparently will just sit there.

Philip Roof, executive assistant to Capitol Architect J. George Stewart, said there has been no particular problem with youngsters damaging the grounds. There is nothing, really, to damage.

"There's a law against using the Capitol grounds as a playground," he said. "The minute we acquired the lot for the library, it became a part of the Capitol grounds."

Principal objection to use of the lot as a play area, he said, is legal. "For example," he said, "if a child is hurt there while he's playing, the Government could be sued under the Federal Torts Claim Act."

Roof also noted that the Government "has spent a lot of money to seed that ground."

The lot is fairly attractive, even if the grass has only a slight ascendancy over the weeds. The shrubbery that once graced the rowhouse lawns give it the appearance of a park.

But it is a park that no one uses, nor is there any encouragement to those who would. There are no benches, fountains, walkways or other enticements. And, too, there are those "No Trespassing" signs.

According to Father Durkin, the lot's major use is as a two-block restroom for dogs. "Nearly everybody on Capitol Hill walks his dog there," he said.

Young adults of the area have occasional pick-up softball games there on weekend

afternoons, although that, too, is forbidden and presumably will be enforced now.

Father Durkin said police indicated there have been complaints from residents about youngsters playing there. But he has been unable to find any of the complainants.

"In fact, residents of the Coronet Apartment House and others are circulating a petition trying to get permission to use the lot for recreation," he said.

Others are seeking help from high places, including members of Congress and the Vice President's Office.

According to Father Durkin, St. Peter's two teams—some 40 youngsters aged 11 to 15—are the only tackle football teams for that age group between 1st and 15th Streets se., from East Capitol Street to the Anacosta River.

"It is because of this that the Catholic Youth Organization permitted us to take in non-Catholic boys," he noted.

Capitol Architect Stewart said someone was in his ofice last week to ask permission to use the lot as as play area. He hinted that he was miffed because "they had been using the lot already and only came to ask permission after they were chased off by the police."

But he said he couldn't have granted permission anyway. "I haven't any authority to bypass the law," he said. "The only way permission could be given is through an act of Congress."

Waiting for an act of Congress, particularly where District problems are concerned, is not the city's most rewarding pastime.

The PRESIDING OFFICER (Mr. TYDINGS in the chair). What is the will of the Senate?

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative 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.

LATIN AMERICA

Mr. SMATHERS. Mr. President, as usual, today's newspapers and TV news shows were filled with reports about Vietnam. They also were yesterday. They will be again tomorrow.

In fact, during any period of a few weeks we can read or see thousands of stories and programs about Vietnam, about De Gaulle, China, NATO, the Soviets, about new nations created in emerging Africa.

Just in the last few days the headlines have been dominated by stories on the forthcoming Manila conference and President Johnson's intended visit to six Asian nations.

On Thursday of last week still another international area, the continuing problem of better East-West relations was given major attention in a Presidential address to editorial writers.

This is all very well. Since we in the United States do have a great concern with so many parts of the world, we must keep informed and abreast of change.

But some of the most important change and progress has been made in an area about which we read and hear all too little—Latin America.

Somehow news of this hemisphere and our closest neighbors is too often lost in the back pages of the press, or dropped from print altogether.

The reason is certainly not for lack of competent reporters. There are many fine U.S. correspondents who live or travel there, and who send back frequent, detailed dispatches.

There are exceptions, of course, but I believe it is a reflection on our own interests in the United States that we do not give enough emphasis to Latin America.

For there is big news in the nations to the south—news that should be important to us. For it is the stuff of which futures are woven.

My point is, and it is one which I have made—indeed have felt forced to make—many times in past years:

Given the enormous drain on our national attention span, we may again today fall back into a bad habit that cost us dearly in the past—the habit of paying scant attention to Latin America and its problems—the habit of taking Latin America for granted.

Most of us can easily recall the stiff price we paid for past neglect of the hemisphere. There is no excuse for repeating our mistakes—and I am quite hopeful that we will not.

But we must be vigilant.

There is no Latin American problem more potentially dangerous than the problem of not really understanding Latin America; of paying lip service to Latin America while we let our attention drift off to seemingly more urgent flashpoints of the world.

It might be well then to turn southward, even for a brief time, and take note of some new and quite important developments.

Someone once said, "The more things change the more they remain the same."

He must have taken a trip to Latin America.

For if ever there was a place that has been tossed and churned by tumultous change it was—and is—Latin America.

Yet, when we take a close look it is often to discover that things appear to be very much the same as they were last week, or last year, or maybe even a century ago.

Such a phenomenon has caused many to suffer from a special sort of myopia—the net cliche image of Latin America, the nonthinking packaged idea of how a quarter of a billion people in 23 countries live their lives.

According to this pipedream, the Latin American people are all "pretty much the same," and as for the countries, "there is not much difference between them," and besides, "they all speak the same language anyway." As a matter of fact, the Latin Americans speak three major languages and countless Indian languages and dialects.

With these unfacts firmly in hand, it is simple to ride off in all directions, and do everything wrong.

As for instance, sewing a legislative suit of clothes, so to speak, and expecting it to fit each and every Latin nation neatly and trimly with no bulges anywhere.

We can no more lump together the highly individualistic and proud nations of the lands to our south than we can lump together the completely separate personalities of the human beings who make up a family.

It was Bolivar who reminded us that Latin Americans are a distinct variety of the human species.

Or as an Argentine author put it, "We—Latin Americans—behave as if each one of us were unique and as if he were alone."

There must be individual decisions on our part about the Latin nations. There must be individual care and attention given to their highly diverse problems.

We might now examine a few of the realities of Latin America in 1966.

No. 1: The Alliance for Progress is a continuing and growing success. It has worked. It has helped many countries and millions of people. It has stimulated economic growth and social development.

Is it an unqualified success? Of course not.

Four years ago, when the Alliance was just getting underway, and when, in the zest of the moment, it was overly praised, I made this comment in a Senate speech:

> Those who see the Alliance for Progress as a patented "ready-to-work-in-30 seconds" headache cure can look elsewhere for a miracle drug. It will not cure the patient in Latin America overnight or in a week—or even in a year. He needs plenty of attention, considerable surgery, a long period of convalescence and, most importantly, the firm will to help himself get better."

The Alliance is a man-made institution dealing with problems as towering as the Andes. It is a surprise that the program has made such lengthy strides.

The Charter of Punta del Este called for a yearly per capita economic growth rate of 2.5 percent. By comparison between 1953 and 1961 the Latin American average gain in per capita product was 1.3 percent.

By 1964, the Latin American average in this growth bracket was 2.3 percent and in 1965, it was more than 2.5 percent.

Gains were uneven. Argentina's per capita product jumped more than 5 percent last year, and Brazil recovered well after 2 years of stagnation. Mexico, Peru, Venezuela, Chile, El Salvador, Guatemala, Honduras, and Nicaragua reached or surpassed the Alliance's 2.5-percent growth goal. Bolivia and Panama made some gains. Colombia, Costa Rica, Ecuador, and Uruguay did not reach the 2.5-percent goal.

The combined gross national product for Latin countries grew to 5.5 percent in 1964, ranging from 10.3-percent gain for El Salvador and a 10-percent increase in Uruguay and a loss of 1.5 percent in Panama.

The U.S. $3.5 billion contribution in this first half of the Alliance's 10-year program has aided in the construction of more than 300,000 homes, helped build 23,000 classrooms, and helped print more than 10 million textbooks.

Pure water has been supplied through new systems to more than 15 million

people in over 1,000 villages. And 13 million children are nourished by a daily hot lunch, while another 12 million adults share in food shipment plans.

Tax reform and practical plans to answer the Latin American poor man's cry for land were parts of the Alliance. The 5-year results are heartening.

Fourteen Alliance nations have instituted reforms in their tax systems. Some are quite drastic, by Latin standards, in closing loopholes and cracking down on tax evaders. Overall collections are up 4 percent and in some countries by 30 percent. Brazil and Argentine reforms and improvements are expected to build tax collections by $200 million in each country this year alone.

Said one observer:

Before the Alliance many of the tax policies of Latin America hadn't changed since Cortez' time.

A dozen of the Alliance members now have enacted laws in the field of land reform and 12 have set up new land reform institutions. In Mexico, Bolivia, and Venezuela, where agarian reform programs were underway before the Alliance began, a substantial percentage of the farming class has benefited. Meanwhile, Chile, Peru, and El Salvador are undertaking ambitious land reform programs.

There is a sobering fact to temper these optimistic figures. Since the start of the Alliance, the Latin America population has increased by more than 20 millions. Thus, in some parts of the region today, the frantic race just to keep even is at best a tie. We must bear in mind, too, that experts estimate a population of between 550 million and 600 milion in Latin America by the end of the century.

There is another important consideration to remember when we speak of the Alliance. It takes more than graph paper and statistical tables to evaluate its gains. The Alliance is a spirit of commitment and concern on the part of neighbors.

It was reflected in the affectionate reception given President Johnson on his visit to Mexico. The millions who applauded him were cheering his sense of concern with Latin America, and his continuation of the program brought to life by President Kennedy.

It was encouraging to note President Johnson's call last April for a hemispheric summit meeting "to examine our common problems and to give the Alliance for Progress increased momentum" and to "give necessary impulse to new and additional initiatives."

I am quite optimistic about the results of the conference, which is now scheduled for early next year.

Actually the Alliance is the sum total of all U.S. cooperation with Latin America.

On June 18, 1962, I said:

Therefore, the task falls to all of us—those in government, those in business, those who classify themselves as private citizens—to join forces in making it (the Alliance) succeed.

And this is precisely what has happened. There is plenty of credit to go around.

The idealism of the Peace Corps set the tone. There have been 7,500 volunteers of the Peace Corps assigned to Latin American nations since 1961—more than in any other region.

Thousands of others have joined in.

A University of North Carolina agricultural team imparts invaluable know-how to Peruvian farmers; USIA programs bring news and knowledge to millions; Navy Seabees channel new streams for rivers dangerously clogged by falling ash from a Costa Rican volcano; the U.S. Army administers aid to the victims of an earthquake in El Salvador.

The partners of the Alliance program, which is now just 2 years old, have accented the people-to-people aspects of the Alliance with remarkable success.

Currently, residents of 30 States and the District of Columbia are working closely with 31 areas in 15 Latin nations to spur development through self-help projects. Last year, the partners extended $3.5 million worth of material and technical aid to Latin America. Their work ranged from the establishment of 17 full 4-year scholarships for students from British Honduras to a doughnut-making machine for the Rio de Janeiro school system.

Not all the giving was one way, either. Venezuela sent Tennessee a $100,000 art collection which has been on tour for the past 12 months, and which sparked the creation of a Southeastern Regional Arts Council.

In addition, Operation Amigo, which was initiated by the Miami Herald in my State of Florida, has operated to provide financing for people-to-people contacts.

The U.S. business community has made an important contribution to Latin America. It has demonstrated responsibility and capability.

Where Latin American governments have created a favorable atmosphere for foreign investment, the economies of their countries have improved dramatically. Mexico and Venezuela are good examples.

The myths of Yankee exploitation has been replaced by the reality of effective U.S. business cooperation with Latin American governments and peoples.

An interesting case is Chile, where President Frei's government is working out arrangements with U.S. companies to form mixed companies, with Chilean participation in the ownership.

President Johnson's guidance of the Alliance has been sure-handed and is deserving of praise.

We should also acknowledge the role of Thomas Mann who nurtured our entire policy for Latin America through some dim and difficult days, when he served as Assistant Secretary of State of Inter-American Affairs.

Mann's successor, Jack Hood Vaughn, carried on the policies in capable fashion. He has since gone over to the the Peace Corps, to be succeeded by our former Ambassador to Brazil, Lincoln Gordon.

Ambassador Gordon is capable, knowledgeable and an advocate of the policies which, I believe, have contributed a good deal to the advances made in Latin America in the past few years. I wish him every success in a difficult post.

It is easy to be a doomsayer about the Alliance, and to belittle social and economic gains. It is easy to be an apostle of gloom about the whole of Latin America. But without joining the Little Orphan Annie optimists' club, I believe we should recognize some of the considerable advances which have been made, if for no better reason than to encourage an even greater effort both here and there.

That statement is no hymn to smugness, nor a call to rally round the status quo.

There are enough disappointments to curb the overenthusiastic.

For example, despite overall gains, some Latin American economic charts would blanche the face of any stony-eyed banker.

Poverty still grinds millions beneath its heels; illiteracy shackles millions more; sickness, black despair and an early death are the only dead-level certainties for huge masses.

But with it all there is progress.

There is a common market working in Central America, at a pace and with a drive undreamed of just a few years ago. It is a boom area. From 1960 to 1964 trade between the nations in that area tripled, to $95 million. In the last 2 years, it has jumped 123 percent. Trade in manufactured products has risen sharply, spurring further industrialization. For example, private investment in new industries in Central America increased 18 percent last year.

In Mexico there is a confident government which budgets hundreds of millions of dollars for public works, schools, and hospitals, and oversees an incredible economic expansion in the nation.

An interesting example is the fact that the Mexican Government plans the construction of a multimillion-dollar microwave system for communication within the country and which, incidentally, will be ready in time to televise to Central America and the United States black-and-white and color presentations of the 1968 Olympic games from Mexico City.

In Brazil the wild maverick of inflation has been bridled, for the time being, at least.

In Colombia a bloody years' old terrorism has been effectively smashed, and the number of individual terrorists reduced by government action from 2,270 to about 100.

In Venezuela there is a continuity of democratic government, despite the all-out assaults of Communist killer teams on a free government and its leaders.

Or let us measure this progress in another way.

Not long ago, President Leoni of Venezuela said he was "absolutely sure there will not be a coup d'etat" in his country. He added:

They are things of the past in Venezuela.

An extraordinary statement? Well possibly not for the United States or Switzerland. But his remarks pertain to a country which 10 years ago was writhing under a dictator's heel, which later had to fight off Castro terrorists, and

which now has been able—for the first time in its history—to pass on freely and peacefully the authority of government from one popularly elected president to another.

That leads us to another hard fact of Latin America today.

Castroism is utterly demolished as an effective symbol of leadership, change, or even false hope everywhere in Latin America, except within his own captive Cuba.

The Castro-triggered terrorism of Venezuela, Colombia, and Peru has been blunted by the actions of free governments and is completely discredited in the eyes of the people. The Havana Tri-Continental Conference proved to be a boomerang.

Five years ago, Castro was in full power and his goal was to "export" Castroism all over the hemisphere. He declared civil war for some Latin nations. His forces actually invaded others. He trained thousands of guerrillas, propagandists, terrorists, and political agitators to infiltrate the hemisphere.

He was a hypnotic orator, full of an overwhelming mystique.

But it did not work.

His plan was to be a Bolivar in reverse, to liberate Soviet or Peking style people who already were free.

And in the hurly-burly of Latin America 5 or 6 years ago, amidst despair and pressures for radical change, it looked as though he might have a good bet.

Without dwelling on Castro in Cuba—which is a separate subject—it is sufficient to say that the shrinking Castro who lost out in the hemisphere has a mirror image back in Havana.

It is not the way it used to be in his palmy days.

A lot of his old team is gone. Some of them, no one is quite sure where. Practically none of them have been traded up. Mostly they have been waived out of the league.

And there broods the maximum leader, in his rationed, dimmed, patched up, creaking Cuba.

This brings us to one of the cardinal facts of Latin America in 1966. It is this. Latin America is now undergoing the most positive democratic movement in its history.

A Caracas professor recently told a U.S. visitor:

> The Venezuelan people are making great strides against illiteracy. They have cut it in half. Having done so the people are choosing democracy as their way of life.

He did not have to be reminded of another fact which Mexico has amply demonstrated: Political stability is the strongest foundation on which to build modern Latin America.

There are many reasons for this swing to political freedom. One is the spread of literacy and education.

One broad estimate is that Latin American budgets for education have risen 25 percent in 4 years, reducing illiteracy overall in the hemisphere by 7 percent during that time.

A second reason is the explosion in mass communications. More newspapers and magazines are published than ever before. The inexpensive transistor radio is everywhere, not just in the hands of the city rich and middle class, but—significantly—also listened to by the barriada dweller, the often illiterate altiplano Indian, the campesino, the peon.

For instance, Honduras has one radio for every nine people, as does Brazil. In Chile and Colombia the ratio is 1 radio per 4 people. In Argentina it is 1 for 3. Excepting poverty-stricken Haiti—1 for 46—the fewest number of radios per capita is in Guatemala where there is 1 per 17 people.

The transistor radio has, and will continue to have, a great impact on Latin America, for it is a simple and effective tool to educate, to inform, to instruct, and, of course, to agitate.

Television is newer, but spreading. Ownership totals 1 per 37 people in populous Brazil, 1 per 12 in Panama, but 1 per 105 in El Salvador and 1 per 122 people in Ecuador. Its impact is growing steadily.

The bookstore, the newsstand and the library provide more mass communication everywhere in urban Latin America.

Furthermore, newly inaugurated telephone cables are binding our two continents closer together, and proposed satellite communications systems for intrahemisphere phone and TV exchanges hold great promise to improve understanding between our peoples.

Still another factor to help invigorate democracy is the developing political maturity among peoples and a spreading belief that democracy can work.

Also, there is an increasing participation by more and more people in events that concern and affect them, coupled with a growing awareness of world happenings and the universal spirit of change.

For instance, with the help of the Alliance for Progress there has been a relatively large increase in the total number of university students enrolled in Latin American universities. In 1961 there were 520,000 students in 169 universities; in 1965 there were 680,000 students attending 196 universities—a gain of 31 percent.

Mr. President, a U.S. observer wisely noted a few years ago:

> We have a fortunate phenomenon in Latin America: at a time of gravest danger we find the most courageous leadership.

Happily the number of wise and courageous—and democratic—Latin American leaders has grown since he made his observations.

Recall this important fact:

In 1954, 13 out of the then 20 Republics were ruled by military Presidents, all except 1 of whom originally came to power by armed revolt.

By contrast, today more fairly elected and truly representative Presidents of nations hold office in Latin America than ever before.

Just this past Monday, Brazil took a first long step toward the reestablishment of democracy with the election of Arthur Costa e Silva as President.

Costa e Silva was chosen by Congress as Brazil's 22d President. When he takes office next March, there is every indication that he will devote his 4-year term to expanding the popular base of the revolution that began with the ouster of Joao Goulart's regime over 2 years ago.

Clearly, Brazil, with its long tradition of popular participation in government, is aiming for a smooth and orderly transition from the military leadership of President Castello Branco to the reaffirmation of constitutional institutions.

Castello Branco's record of success is long and distinguished, but now that his homeland has again been set on a forward course, he has wisely chosen to make way for an eventual return to civilian rule.

Another nation that gives us cause for guarded optimism is Guatemala. There President Mendez Montenegro has moved to put down extremists of both the left and the right.

His government treads a high and wobbly wire. To its left, Communist terrorists allied with Fidel Castro plot acts of subversion and terrorism. To its right, the White Hand group plants bombs in Guatemala City and distributes treasonous propaganda. Below, the army waits—conceivably ready to move in and take over should Mendez falter.

Plainly, democracy is by no means secure in Guatemala. But the simple fact that a constitutionally elected president opposed by the army was able to take office augurs well for the future. If Mendez can successfully negotiate his perilous course, he may usher in a new age in a nation whose political history has been far from happy.

Argentina remains a question mark.

Juan Peron's legacy tc Argentina was one of political chaos, demagoguery, and bankruptcy. It is a nightmare that has not ended yet.

The sad fact is that the civilian leaders elected to rule Argentina did not have the political and administrative competence to work out any sort of modus vivendi with the powerful Peronistas and the scattered democratic parties of the country.

There were successive fiscal crises, serious inflation, labor difficulties and economic stagnation in one of the wealthiest nations in all of Latin America. There was, too, a growing lack of popular confidence in the Government.

In that atmosphere apparently the armed forces decided there was no chance for sufficient change through the electoral process. A fear of further Peronist entrenchment in scheduled municipal elections, particularly in the province of Buenos Aires, reportedly touched off the military's intervention.

President Ongania has stated the aims of his military regime. He and his lieutenants will work to stabilize the Argentine economy and to create a political framework in which democracy can flourish.

We have heard the pledges. Now we must wait to see the performance.

The sooner President Ongania can establish the climate conducive to the reestablishment of popularly chosen governments, the better it will be for the entire hemisphere. The United States should do all it can to help.

This then leaves among the nondemocratic regimes the cruel dictatorships of Fidel Castro in Cuba and the bizarre Duvalier in pitiful Haiti. Only in Paraguay where President Stroessner rules is there another government which did not assume authority through at least some form of election.

This is not to be naive about it. All the trappings of democracy are not to be found in full measure in all of the countries.

There are serious incursions against a fully free press in some countries, as reports of the watchdog Inter-American Press Association have several times pointed out.

The past presidential election in Nicaragua was limited in the freedom of its opposition.

And in Ecuador, in a curious switch, there was a civilian coup against a military junta which put President Yerovi Indaburu into office in April.

But 200 years of colonial rule and a century more of liberation, palace revolts, dictatorships, civil war, strong men, more revolts—these are the tangled limbs in the family trees of the Latin American nations.

It's not terribly surprising that the timber of government from this tree is not all first grade. Some of it needs more seasoning.

Heartening is the fact that so many of the men sitting in Latin American national palaces are so strongly dedicated to democracy.

Such freely elected leaders as President Diaz Ordaz of Mexico, President Leoni of Venezuela, President Belaunde Terry of Peru, President Frei of Chile, and President LLeras Restrepo of Colombia are only some of them.

A Latin American political landmark was the completely free and scrupulously observed election last June in the Dominican Republic, which by a landslide named President Balaguer. It was a vital democratic action and example which Latin Americans would not readily overlook nor forget.

Other fledgling Latin American nations have joined the ranks—notably Guyana, formerly British Guiana, and Jamaica and Trinidad-Tobago. All three of them used to be under British rule and have all maintained free parliamentary systems as they strike out to seek their respective national destinies.

It is heartening to see these healthy political developments. It recalls a speech made in the summer of 1962, when I urged that we cooperate and offer help not only to the patently democratic governments of Latin America, but those nations which were "clambering through different stages of political transition" toward democracy. Fortunately, several more countries have made it since then.

However, the Latin American political map today calls for careful scanning. It is not sufficient to assume that democratically elected presidents automatically mean a succession of freely chosen leaders in each and every one of these countries.

Gigantic social, economic, and political problems can easily bring a temporary halt to the democratic process in some nations, if these problems are not solved successfully.

But even though the long wave of history favors representative government in Latin America, we must remember that democracy is a sophisticated form of governing.

It cannot send down strong roots without careful cultivation. It cannot grow and thrive without constant attention and a firm commitment to its principles.

Mr. President, the way ahead for the nations of Latin America will not be smooth. There will undoubtedly be future unrest, and new political upheaval in the coming years. Perilously weak economies will continue to stagger from crisis to crisis.

But it is plain that the general course of the future is forward. With wise and skilled helmsmen, that rare and ever fragile vessel of government—democracy will yet sail through shoals and storms to calm and peaceful seas.

NEW YORK STATE ACTS TO EASE DOCTOR SHORTAGE

Mr. JAVITS. Mr. President, Governor Rockefeller of New York last week announced a plan whereby the State would participate in the cost of expanding medical student enrollments at New York's private medical schools. This proposal, which goes into effect beginning with the 1967–68 academic year, serves as an outstanding example of a State's accepting its responsibility in meeting the health crisis facing the Nation.

The program also stands in marked contrast to the administration's lag in meeting the Federal Government's responsibility. The Health Professions Education Assistance Act contains a provision for aid to medical schools very similar to what is being done in New York, whereby Congress is authorized to appropriate $40 million for the current fiscal year for education improvement grants. However, despite the fact that the Public Health Service, realizing the need, requested the full $40 million authorized, the administration requested only $30 million, 75 percent of the authorization.

This administration cut means that while the basic grants for all health professions schools eligible under the law will be fulfilled completely, no funding is available for the special improvement grants going to the schools with the greatest need. The purpose of these special improvement grants is to "help to insure adequate preparation of all future physicians and dentists, thereby increasing the quality of medical care available to the people." Clearly, the appropriation request was insufficient.

I ask unanimous consent to include in my remarks the text of Governor Rockefeller's announcement of this proposal.

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

Governor Rockefeller today announced agreement had been reached on a plan whereby the State would participate in the cost of expanding medical student enrollments at New York's private medical schools, beginning with the 1967–68 academic year.

The Governor said the agreement had been reached in the course of negotiations with deans of the private medical schools,. conducted through State University of New York.

Governor Rockefeller said State University President Samuel B. Gould had informed him that the plan would be presented to the University's Trustees for their approval later this month. The plan could then be implemented through individual contracts with each of the private schools.

Under the plan outlined by the Governor each of the private schools would agree to increase enrollments by at least five medical students per class, above a mutually agreed upon enrollment base. The State in turn would pay the schools $6,000 per year for each additional student, to a limit of 25 students per class.

The State would also participate in funding capital projects necessary to accommodate the increased enrollments, up to 50 per cent of project costs. Ceilings would be set on the total amount of state funds for each school.

According to the Governor the program of State participation would extend through June 30, 1974, and would increase by approximately 150, the number of new first year students admitted each year to New York's private medical schools, including 20 students at the new Mt. Sinai Medical School.

The Governor said State University, at his request, began discussions with the private medical schools more than six months ago.

Private medical schools which would participate in the program are:

Albany Medical College, Albert Einstein College of Medicine of Yeshiva University, Cornell University Medical College, Columbia University Medical College, New York Medical College, the New York University School of Medicine, University of Rochester School of Medicine, and the newly established School of Medicine at Mt. Sinai Hospital.

Governor Rockefeller also made public the texts of the following letters:

"THE ALBANY MEDICAL COLLEGE OF UNION UNIVERSITY,
"Albany, N.Y.

"Hon. NELSON A. ROCKEFELLER,
"Governor of the State of New York,
"Executive Chamber,
"Albany, N.Y.

"DEAR GOVERNOR ROCKEFELLER: On behalf of the Trustees and all of the faculty and student body of Albany Medical College and, indeed, of the Albany Medical Center Hospital, I express our gratitude for your vigorous and effective support of medical education in this State.

"Without your interest in this great public cause and your statesmanlike vision of the future, the progressive State aid program which has been effected would have been impossible. You have here made a significant contribution to the public welfare.

"Sincerely,
"FRANCIS BERGAN, *President.*"

"MOUNT SINAI SCHOOL OF MEDICINE.

"Hon. NELSON A. ROCKEFELLER,
"Governor, State of New York,
"Albany, N.Y.

"DEAR GOVERNOR ROCKEFELLER: I have just learned from Dr. George James, Dean, Mount Sinai School of Medicine, details of the plan under which you and the State University are making funds available for the further development of the voluntary medical schools of New York State. We are extremely pleased that our medical school will be a full participant in this program.

"It is extremely gratifying to us to note the excellent way in which you have given

this matter your personal attention and have carried it through to a successful conclusion. The development of our medical center will owe much to your foresight and statesmanship. We are firmly convinced that the Mount Sinai School of Medicine will be a superb institution, and we deeply appreciate the role you have played in making it possible.

"It is our strong conviction that medical education in New York State is a matter of such great importance that we look to the day when the State will be prepared to accept the responsibility for a continued program for its support. If there is any way in which we can assist you in the future in highlighting the great significance of this problem and its need for continued support, please do not hesitate to call upon us.

"Sincerely yours,

"GUSTAVE L. LEVY,
"Chairman, Board of Trustees."

MAIL SERVICE

Mr. BREWSTER. Mr. President, I am sure I speak for the vast majority of my colleagues when I say that there is something seriously wrong with the U.S. mails. Every one of us has been contacted by constituents, complaining—and rightly—that there are inordinate delays in delivering the mail, and sometimes it is not delivered at all.

And now, hard on the heels of this outcry comes the report of the Postmaster General for fiscal year 1966. It is 204 pages long, but on not one of those pages is there mention of the problems experienced by almost every American, much less a proposed solution.

The plain, unvarnished truth is that the postal service is seriously underfinanced.

Before going into causes, effects and solutions, I want to cite some specific examples of chaos.

Chicago, Ill.: In this city the tie-up of mail is the worst in its history. More than a million pieces of mail are backlogged—including hundreds of thousands of pieces of first-class mail—and the end is nowhere in sight. The size of the backlog is growing each day, not diminishing. The employee force cannot keep up with the mushrooming volume.

New York City: First-class mail is being held up in the post office as long as 24 hours, and sometimes longer. Third-class mail is being delayed at least a week, and often longer.

Washington, D.C.: Carlton Beall, an excellent postmaster, went on television last night to explain that mail deliveries are being delayed because of the lack of trained and experienced employees. He pointed out that a letter carrier's job, as an example, is a skilled job. It cannot be performed by just anybody. The lack of skilled help is causing bad service. Third-class mail is backlogged by at least 8 days.

The National Association of Letter Carriers and the United Federation of Postal Clerks—who are often the only lobbyists for the average citizen of the United States in the matter of improving or maintaining the mail service—have bombarded the Postmaster General with hundreds of cases all over the country where first-class mail is being curtailed and disregarded because of a foolish infatuation with economies.

In the October issue of the Postal Record, the official journal of the letter carriers, Editor James H. Rademacher lists 30 additional horror stories from 19 different States showing how the traditions of the postal service are being destroyed by excessive frugality.

Just today—October 13—one of my constituents, John T. Donelson, of Chevy Chase, Md., received an attractive invitation to attend a function at a Washington hotel. He was very pleased to receive the invitation—until he discovered that the affair to which he had been invited had been held 9 days ago—on October 4.

In city after city, letter carriers are told that if they cannot deliver all the first-class mail in their satchels by the end of an 8-hour day, they must carry the mail back to the post office to await delivery the next day. In many cities, no mail has been delivered at all in certain areas because there was nobody in the office to do the job.

This, Mr. President, in the wealthiest, strongest, and most industrially efficient Nation in the world.

I might point out that in the years 1889–93, when the famous John Wanamaker was Postmaster General, he issued a strict order that all first-class mail arriving at a post office during daylight had to be delivered within 2 hours.

We have fallen a long way from such standards of service.

I am sure, Mr. President, that every Member of this body has been inundated with mail from indignant patrons complaining about the horrible postal service in their area.

All I can say to my own constituents—and I say it sadly and bitterly—is that they have not seen anything yet. Just wait. There is a backlog of mail in almost every major post office in the country—and in many post offices that are not so major. The mail is piling up faster than the employees can handle it. And the Christmas rush has not even started yet. If the employee force cannot handle the present volume, what is going to happen when the annual Christmas rush begins? What is going to happen, Mr. President, is collapse and chaos—unless we do something about it in a hurry.

What has caused this catastrophic condition?

There are several principal causes.

First. The mail volume has increased beyond all anticipation. In some areas the volume has increased as much as 15 percent above the predicted increase. This seems unavoidable. There is no way the Post Office can control the volume of business it is called upon to perform. The American people do that. But, Mr. President, I would like to point out that the Post Office Department has been predicting the volume for the future, for years. They base their appropriations requests on these predictions. And time after time they have come in with a low estimate, and have been completely taken by surprise by a sudden increase in volume. Surely there must be something wrong in the system of predicting mail volumes—and in requesting appropriations. It would be unreasonable to ask them to hit the figure for the ensuing year right on the nose—but, to miss by 15 percent. That is being a bit too far out.

Second. In the name of economy, the Department has issued widespread instructions—which are applied stringently throughout the system—that overtime must be restricted to 1 hour for every 100 hours of regular time. This means that there is no way for the experienced employees to handle the mounting volume—and only experienced employees are capable of handling crisis situations. This means that the new postmaster of Chicago is faced with a backlog of a million pieces of mail—and cannot order his employees to work overtime to clean it up. Certainly, this growing mountain of mail cannot be cleaned up by green, inexperienced, and uninterested temporary casuals recruited off the streets. This is a crisis situation, and it can be solved only by professionals who know what they are doing, and who have pride in the service.

The Post Office Department seems incapable of getting into its bureaucratic head the fact that conditions vary from post office to post office. The mail volume may be normal in, let us say, Cleveland, on a day that it is an avalanche in Baltimore, and vice versa. Inflexible nationwide rules and regulations are inadequate to handle the ever-changing kaleidoscope of mail volume. And, incidentally, I thought we permitted the Post Office Department to decentralize and regionalize its operations just to escape the iron restrictions of inflexible nationwide regulations.

Third. We are paying our postal employees too little money. Certainly, we voted them a pay raise this year. It has been called the invisible pay raise. It was wiped out by the rising cost of living before it even became effective. Postal work is specialized work. It is skilled work. It requires intelligence, integrity, stamina, commonsense. How is the Post Office Department going to recruit men with these attributes when they are offering them wages far below the going rate in the sanitation department, in the transit companies, in almost every other reasonably comparable type of job in their communities?

How can the postmaster of Chicago recruit first-class people into the post office when the city is offering a starting wage for trash collectors $3,000 higher than we are offering our potential letter carriers?

Fourth. The Post Office Department is suffering from unrealistic restrictions on the appointment of new employees. Even in those areas where it is possible to find suitable recruits, the Post Office cannot hire as many as they need to do the job.

In short, Mr. President, the cause of the problem is lack of manpower. Machines do not move the mails; men do. If you do not have enough men to handle the volume, the volume will not be handled. It is as simple as that.

Manpower, of course, costs money. Eighty percent of the postal budget goes for wages. When the Department does not have enough money, it is not going to have enough people to do the job.

The solution, Mr. President, lies in the hands of the Postmaster General. This is a national problem which affects the Nation. It is a crisis situation, and it must be handled by crisis tactics.

I call on the Postmaster General to take the steps which are necessary to put a halt to this deplorable situation—now. And I also urge him to seek an appropriation for the coming year which will be large enough to avert another catastrophe of this kind.

The Post Office Department, Mr. President, is unique. It is special. Alone among all agencies of Government it cannot control the amount of business it does. It must—or it should—handle all the business the American people gives it—and handle it swiftly, efficiently, and smoothly. When the volume is greater than expected, the employee force must be greater. If the Post Office Department is forbidden to increase its work force in the face of a sudden increase in volume—then a service breakdown is inevitable.

I certainly hope that the leadership will see the necessity of considering the emergency measures before we adjourn. If we do not do this, we shall all have a very uncomfortable time when we return to our homes—to the scene of the crime, as it were—and must stand face to face with our frustrated and embittered constituents.

One point more, Mr. President, and I shall conclude.

We have been most generous with our treasure in many fields. We spend billions of our dollars sending men and machines into space, but we refuse to spend enough money to take care of our earthly obligations, such as moving and delivering the mail. I am all in favor of our adventure in space, but I happen to think that the efficient conduct of the mail service is more important to our national welfare.

We have been most open handed in distributing largesse to every corner of the free world—and to some corners of the world that are not so free—but we have been downright stingy when it has come to providing funds for our essential, nonglamorous domestic services—and the principal domestic service we perform is that of the movement and delivery of the mail.

Mr. President, if we do not take our heads out of the sand and face up to the postal crisis—I can guarantee that every elected Federal public servant is going to face the most unpleasant Christmas he has ever known.

The American people have suffered inferior postal service for a long while. They have been critical but remarkably patient. That patience is wearing thin. They are not going to stand for much more of this foolishness and inefficiency.

And if the service collapses utterly during the Christmas rush—and collapses because we, their representatives in both Houses of the Congress, have refused or neglected to take preventative measures, their wrath will be formidable, and it will be directed—correctly—at us.

AUTHORITY TO FILE COMMITTEE REPORTS DURING THE ADJOURNMENT OF THE SENATE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that committees of the Senate be permitted to file reports together with individual, supplemental, or minority views, if desired, during the adjournment of the Senate this evening until 9 a.m. tomorrow.

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

ORDER FOR ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate adjourns this afternoon it stand in adjournment until 9 a.m. tomorrow.

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

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, for the information of the Senate it is anticipated that on tomorrow we will take up first the public works authorization bill under the chairmanship of the distinguished chairman, the Senator from West Virginia [Mr. RANDOLPH]; second, the State, Commerce, and Justice appropriations bill under the chairmanship of the distinguished Senator from Arkansas [Mr. MCCLELLAN]; and, third, the 7-percent investment tax credit bill under the chairmanship of the distinguished Senator from Louisiana [Mr. LONG].

We are coming in a little early to try to complete these bills tomorrow if at all possible. If they are not completed tomorrow, the Senate will meet early on Saturday.

It is hoped also that if proper progress is made—and I anticipate that it will be—there will be a recess declared for an hour or an hour and a half so that the Senate can meet at a luncheon with the President and pay its respects to him.

COLUMBUS DAY: ADDRESS BY SENATOR PASTORE

Mr. KENNEDY of Massachusetts. Mr. President, yesterday the distinguished senior Senator from Rhode Island, Senator PASTORE, was kind enough to enter into the RECORD a statement that I prepared for the observance of Columbus Day. I would be remiss if I did not in turn call attention to the address which Senator PASTORE himself made at the National Columbus Day Committee dinner last night in Washington. His address is both a tribute to the role that Italians have played in America's past and a summons to all Americans to build a better future. I ask unanimous consent that Senator PASTORE's address be printed in the RECORD.

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

REMARKS OF U.S. SENATOR JOHN O. PASTORE AT NATIONAL COLUMBUS DAY COMMITTEE DINNER, GRAMERCY INN HOTEL, WASHINGTON, D.C., COLUMBUS DAY, OCTOBER 12, 1966

Columbus Day comes with special significance to us of Italian ancestry who live and labor in the Capital of our nation. And it is a distinction that we gladly share with every fellow-American.

It is this—that the name of the Father of our Country—and the name of the boy of Genoa are forever linked in history to its name—Washington—the city identical with the District of Columbia—the city to which the eyes and the hearts of the world turn in their search for security and peace.

Those of us who labor at the Capitol work under the spell of the art of Constantino Brumidi—and we remember how—in the days of President Thomas Jefferson and at his invitation—Italian artisans came to this country to give to the Capitol their skills that America did not possess at that time.

There is a long proud list of Italian contributions to our land. The list ranges from the sailor Columbus who gave the discovery of America to the world—down to our own day when the Italian scientist, Enrico Fermi, gave the discovery of the atomic bomb to America—and our priority with the bomb—and the primacy that we have maintained—to this day—has been our infinite instrument for peace.

This is a country to which so many nations have contributed so much. This is a land whose lasting bulwarks have been cemented by some many different bloods in the common mixture of Americanism.

This government tore its very existence away from the Old World. Yet it built its continuity from the never slackening march of the ambitious . . . the able . . . the appreciative from the old, tired lands—to these ever widening horizons of happiness.

If I have mentioned the contributions of Italians—it is not by way of boasting. It is in the manner of emphasizing the debt we owe not only for the opportunities that are here to be found—but the obligation we have to emulate and imitate those of Italian descent who have given to this land of their adoption—or their birth—their full measure of devotion.

This has been expressed in appreciation of the laws that make us free . . . resolution to deserve that freedom by preserving the government born of those laws . . . tolerance among ourselves and our neighbors—serving and sacrificing that our institutions may remain secure.

These are the promptings of the human heart which in any time and any country seek peace and equity—and the happiness and opportunity that are born of those qualities by which men can live as men.

This can be a day of exaltation for those who look back to Italian traditions of art and music and law and learning. The music and beauty that has refreshed a world more-than-once-wearied . . . can again quicken the eye and gladden the heart. Song and splendid scene are born from the sufferings of a people.

I say there is exaltation—but there is humility, too. For most of us look to a narrower—a more crowded horizon of our America. It is the more familiar horizon of that ancestor of ours who came to these shores with a full heart . . . though empty hands.

I will not pretend that you and I bring a bigger measure of manhood to our Americanism than did those to whom we owe our birth and our birthright.

The river does not flow higher than its source.

Yes—that ancestor may have come with empty hands. But with those very hands he shaped the earth of this—his adopted land. He fashioned its soil—and he fashioned his own sons and daughters to the spiritual fidelity—and love of home and family—that has helped his Italian race to survive the vandals and the vicissitudes of the centuries.

And when the sun goes down on his American day—and the American soil receives him rightfully into its keeping—rightfully and restfully forever his home—those sons and daughters—in their humble but holy way . . . revere his memory—persevere in that loyalty—and, as proved by the record, preserve with their very lives, this lovely land that smiled upon him.

The hero's path is not granted to us all. It is not granted to us all to bask in the fleeting light of fame. Heroism is an incident of comradeship. It is love of fellowman greater than love of one's own life. Fame is only an accident of the proper time and the happy opportunity. But honor is a man's own sense of his personal duty well done.

Honor is each man's own understanding of the part he has to play . . . and his determination to play it well. It is his knowledge that no man is unimportant in the great scheme of life . . . and that no act of his fails to throw its light or to cast its shadow in a troubled world.

It is a troubled world. Sinister forces are abroad that would separate man from man . . . and mankind from God. They would keep us so burdened . . . so dismayed . . . in the little whirlpool that is the daily life of each of us . . . that we would lose sight of the greater and longer lessons of history.

These foreign ideologies would terrorize us telling of the futility of human existence. They would preach hate of fellow man. They would laugh at the sanctity of the family and all the institutions that make it sacred. We are too old a race to believe that a philosophy teaching hate for all others . . . can endure. We are too young a people to forget Cicero's teaching of conscience and responsibility to the republic . . . and we mean this republic to which we, too, have pledged our lives, our fortunes and our sacred honor.

Every last man, woman and child is mobilized for the fight of our lives . . . *for* our lives . . . for our land . . . for the things we like and for the ways we love.

In public life . . . in private task . . . what we think . . . what we say . . . what we do . . . is building now . . . this hour . . . this minute . . . the security of this country and the hope of the world. Or it can invite destruction to our country . . . despair to civilization.

Nobody knows better than our blood . . . the bitter blow of the barbarian. Our history rises through centuries of chaos to a courage and a character that finally prevails.

That is history. We will not forget it.

Nobody owes more than we do to the opportunities and the inspiration fashioned here . . . the inspiration to universal freedom under a common God.

They gave that inspiration the name of the United States.

That is history, too.

We will not forget it. We will not fail it.

WHO'S WHO

Mr. DODD. Mr. President, I would like to bring to the attention of the Senate the recent announcement by "Who's Who, Inc." announcing the names of 17 personal and institutional winners who have been cited for outstanding contribution by the editors of "Who's Who in the West."

Our distinguished colleague from Montana, LEE METCALF, has been selected, as have actor Paul Newman, artist Richard Diebenkorn, and Governor Daniel Evans of the State of Washington.

Among the others chosen is John Teal, a native of my State, a graduate of Harvard College and Yale University. Mr. Teal, presently a professor of Animal Husbandry and Human Ecology at the University of Alaska, has distinguished himself as a writer and lecturer and domesticator of Oomingmarks. I hope it will not appear prideful to mention the fact that besides being an outstanding scientist, John Teal happens to be a cousin, which, of course, makes me doubly proud of his distinction and honor.

His work amongst the Laplanders and Eskimos has, as the editors of "Who's Who" point out, been "humane and rehabilitative, as well as practical," and "is giving us a warmer kinship to our icy last frontier."

I salute John Teal for his contribution toward making this a better world and congratulate him for the citation he so richly deserves.

I ask unanimous consent that this "Who's Who" be printed in the RECORD.

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

CHICAGO, ILL.—Governor Daniel J. Evans of Washington, U.S. Senator LEE METCALF of Montana, actor Paul Newman and artist Richard Diebenkorn have been cited for outstanding contribution by the editors of "Who's Who in the West."

A citation also went to the Sierra Club and its executive director, David Ross Brower of San Francisco, for their conservationist stand against the Congressional bill to erect two hydro-electric dams at either end of the Grand Canyon.

All told, 17 personal and institutional citation-winners are named in the new Tenth Edition of the biographical reference directory. Announcing the awards here was Kenneth N. Anglemire, president of the A. N. Marquis Company, which publishes "Who's Who in the West" and "Who's Who in America."

Anglemire said the individuals were honored "not only for their own accomplishments, but as representatives of the West's splendid advances, and of the 14,200 Westerners sketched in the directory."

He added that the selection of citees "was not governed necessarily by fame, nor by any effort to judge who is 'best' in a particular field; it was governed by combinations of circumstances, varying among each of the fields in which a citation was awarded."

The citations—third biennial set given by "Who's Who in the West" editors—are, by category:

Architecture: William Wilson Wurster, Berkeley, Calif. As the Bay Area builds for the future, "Mr. Wurster has been a leader in perpetuating" the area's charming harmony between nature and man's creations, the citation said. "He has played this role as founding dean of the University of California's College of Environmental Design, as a practicing architect . . . and as a meditative and vibrant man."

Art: Richard Clifford Diebenkorn, Jr., Berkeley, Calif. "The isolation of individual man is a theme of much of today's philosophy—and in painting, no younger American conveys it more tellingly than Richard Diebenkorn, who has been a teacher at San Francisco Art Institute."

Business: Benton Russell Cancell, president and chief executive officer of Potlatch Forests, Inc., San Francisco, Calif., and Lewiston, Idaho. "He has lifted the Potlatch company to a new high in administrative performance . . . in diversity of lumber and paper products . . . in sales . . . in contribution to the economic destiny of the West."

Civic affairs: John Crosby, general director of the Santa Fe (N. Mex.) Opera. The citation said Crosby showed "remarkable enterprise" not only in founding this opera company in 1957, but in making it unusually adventurous in its repertory, which has included the American premiere of Alban Berg's "Lulu" and other important works. In 1964 he presented the U.S. stage premiere of Richard Strauss' "Daphne."

Conservation: The Sierra Club and David Ross Brower, San Francisco. The citation said the dedication of the club and its Executive Director Brower may save that "American shrine of timelessness in a changeful world"—the Grand Canyon—from the harm threatened by a "water-supply" bill now before Congress. As noted in the award, the club contends that the dams proposed in that bill "would (because of alternate solutions) be unnecessary . . . would halt the natural processes that have made the Canyon 'a living laboratory' . . . would obliterate archeological and geological records, favorite recreation sites and scenic glories."

Education: Howard Palfrey Jones, chancellor of the East-West Center at the University of Hawaii and former U.S. Ambassador to Indonesia. Founded by Congress in 1960 for cultural and technical interchange between Asia and America, "the center is being enriched by his perception and perspective."

Entertainment: Paul Newman, Hollywood, Calif. "In giving vital identity to each of his many complex roles, actor Paul Newman has won the esteem of the critics. His own vigorous identity—as an actor and as a public-spirited man—has won the devotion of the people."

Government: Governor Evans of Washington and Senator METCALF of Montana. A champion of what is called "the new federalism," Republican Evans "has advanced it in his own state through resourceful action on education, industiral expansion, welfare, research, conservation, administrative reform." In his first Senate term, Democrat METCALF "has distinguished himself as a member of important standing committee, as a searching analyst on world affairs . . . a foe of bigotry . . . a striver for a more humane America."

Journalism: Robert Sampson Elegant of the Los Angeles Times. "In interpreting the enigmatic nation (of China), perhaps no U.S. journalist has been more penetrating" than Elegant. In his reports from Hong Kong and in his books, "he combines a pulsating sense of the present hour with a far-reaching knowledge of China's history and philosophy."

Law: Chief Justice Roger John Traynor of the Supreme Court of California. He has written some 800 opinions since joining the court at the age of 40—including "some notable dissents" that were to become U.S. Supreme Court "positions." The citation declares, "His wisdom has helped give California a sound trellis of justice for her rapid growth; in addition, it has elevated legal thinking throughout the land."

Literature: John Williams, professor at the University of Denver, whose recent novel—"Stoner"—is "a work that is almost timeless . . . that burns softly but intensely" . . . and in which the frustrations but persistence of the teacher-hero are "part of the story of man."

Music: Henry Lewis, Los Angeles, who has been conducting symphonic, opera and chamber orchestras there and overseas. "Soulfully, he finds the inner voice in music of all eras—while his sense of dynamics and tone color gives full expression to the outer voice." Lewis also was praised as a musicologist.

Natural science: John Jerome Teal, Jr., ecology professor at the University of Alaska, who has made far-ranging expeditions in the North Country and "developed significant knowledge" on its living things. His work "is humane and rehabilitative as well as practical * * * is giving us a warmer kinship to our icy Last Frontier."

Physical science: Dr. Murray Gell-Mann, professor at California Institute of Technology. He has advanced the "whole character of particle physics" through his "strangeness" principle explaining the behavior of elementary particles in the atomic nucleus, and through his "Eightfold Way" classification.

Religion: The Rev. Francis James Conklin, professor of law at Gonzaga University, Spokane, Wash. In successfully appealing the case of an Indian tribal woman on the ground that "due process" had been denied her, "Father Conklin has, in his service to God and Law, also helped his fellow-man."

A special Citation was awarded the Oregon Historical Society, Portland, which—through its educational and research programs and its preservation of historic sites—"illumines for our own time the courage that built the Northwest." The society next year will have been open half a century.

ADJOURNMENT

Mr. MANSFIELD. Mr. President, if there is no further business to come before the Senate, I move that the Senate stand in adjournment until 9 o'clock tomorrow morning.

The motion was agreed to; and (at 4 o'clock p.m.) the Senate adjourned until tomorrow, Friday, October 14, 1966, at 9 o'clock a.m.

NOMINATION

Executive nomination received by the Senate October 13, 1966:

CIVIL AERONAUTICS BOARD

Robert T. Murphy, of Rhode Island, to be a member of the Civil Aeronautics Board for the term of 6 years expiring December 31, 1972. (Reappointment.)

HOUSE OF REPRESENTATIVES

THURSDAY, OCTOBER 13, 1966

The House met at 11 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Be still and know that God is.—Psalm 46: 10.

Eternal God, our Father, so high above us that we cannot comprehend Thee and yet so deep within us that we cannot escape Thee, make Thyself real to us as we pray today.

Tired are we of our littleness and we pray that Thou wilt lift us into the fellowship of great minds. Tired are we of our thoughts of discouragement and pray that Thou wilt lift us into the companionship of great hearts—that in these relationships our faith may be renewed, our hope strengthened, and our courage confirmed.

Bless these Congressmen as they wait upon Thee. May they be wise with Thy wisdom, strong with Thy power, and faithful in Thy faithfulness to them. According to our needs, may the riches of Thy grace enter the hearts of everyone of us. In Jesus' name we pray. Amen.

THE JOURNAL

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

MESSAGE FROM THE SENATE

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

H.R. 17636. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1967, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 17636) entitled "An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1967, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BYRD of West Virginia, Mr. BARTLETT, Mr. PROXMIRE, Mr. MCINTYRE, Mr. CASE, Mr. COTTON, and Mr. SALTONSTALL to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 11555) entitled "An act to provide a border highway along the U.S. bank of the Rio Grande in connection with the settlement of the Chamizal boundary dispute between the United States and Mexico," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. FULBRIGHT, Mr. SPARKMAN, and Mr. CARLSON to be conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendment of the House to the amendments of the Senate to the bill H.R. 1665 entitled "An act to amend title 28, entitled "Judiciary and Judicial Procedure,' of the United States Code to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment in special jurisdictional cases, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13448) entitled "An act to amend title 39, United States Code, with respect to mailing privileges of members of the U.S. Armed Forces and other Federal Government personnel overseas, and for other purposes."

The message also announced that Mr. HRUSKA was appointed as an additional conferee on the bill (H.R. 17637) entitled "An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1967, and for other purposes."

The message also announced that the Vice President, pursuant to Public Law 89–617, appointed Mr. BREWSTER and Mr. MURPHY as members, on the part of the Senate, of the Commission on Political Activity of Government Personnel.

The message also announced that the Presiding Officer of the Senate, pursuant to Public Law 115, 78th Congress, entitled "An act to provide for the disposal of certain records of the U.S. Government," appointed Mr. MONRONEY and Mr. CARLSON members of the Joint Select Committee on the part of the Senate for the Disposition of Executive Papers referred to in the report of the Archivist of the United States numbered 67–4.

REPORT ON SUPPLEMENTAL APPROPRIATION BILL, 1967

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight Friday, October 14, 1966, to file a report on the supplemental appropriation bill for the fiscal year 1967.

Mr. RHODES of Arizona. Mr. Speaker, I reserve all points of order on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. MAHON]?

There was no objection.

FILING OF CONFERENCE REPORT ON H.R. 17637, MILITARY CONSTRUCTION FOR DEPARTMENT OF DEFENSE

Mr. SIKES. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill (H.R. 17637) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1967, and for other purposes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

REQUIRING REPORTING BY PHYSICIANS OF PHYSICAL ABUSE OF CHILDREN

Mr. MULTER. Mr. Speaker, I call up the conference report on the bill (H.R. 10304) to provide for the mandatory reporting by physicians and institutions in the District of Columbia of certain physical abuse of children, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.