# SENATE

## TUESDAY, AUGUST 8, 1967

The Senate met at 10 o'clock a.m., and was called to order by the President pro tempore.

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

Eternal God, Father of all men, Thou hast taught us that in quietness and in confidence shall be our strength. In the midst of these feverish days we pray that Thou wilt breathe through the heats of our desire Thy coolness and Thy balm.

Take from our souls the strain and stress and let our ordered lives confess the beauty of Thy peace.

Strengthen us with Thy might that the anxious pressures of these days may not break our spirits and that no denials of human freedom now loose in the world may intimidate our souls.

Steady our wills and our hands with power and wisdom, that with eager joy we may dedicate the Nation's strength to throw open the gates of a new life for Thy children everywhere.

We ask it in the dear Redeemer's name. Amen.

## MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Geisler, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session,

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

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

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the following bills and joint resolution of the Senate:

S. 1281. An act to authorize the appropriation of funds to carry out the activities of the Federal Field Committee for Development Planning in Alaska;

S. 1701. An act to declare that the United States holds in trust for the Indians of the Battle Mountain Colony certain lands which are used for cemetery purposes;

S. 1762. An act to amend section 810 of the Housing Act of 1964 to extend for 3 years the fellowship program authorized by such section; and

S.J. Res. 10. Joint resolution to establish the Golden Spike Centennial Celebration Commission.

The message also announced that the House had passed the bill (S. 188) creating a commission to be known as the Commission on Noxious and Obscene Matters and Materials, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate.

H.R. 547. An act to authorize the Secretary of Agriculture to sell the Pleasanton Plant Materials Center in Alameda County, Calif., and to provide for the establishment of a plant materials center at a more suitable location to replace the Pleasanton Plant Materials Center, and for other purposes;

H.R. 2630. An act to provide for the furnishing of a uniform and the presentation of a flag of the United States for deceased members of the National Guard and Ready Reserve; and

H.R. 8629. An act to amend the act of July 4, 1966 (Public Law 89–491).

## HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H.R. 547. An act to authorize the Secretary of Agriculture to sell the Pleasanton Plant Materials Center in Alameda County, Calif., and to provide for the establishment of a plant materials center at a more suitable location to replace the Pleasanton Plant Materials Center, and for other purposes; to the Committee on Agriculture and Forestry.

H.R. 2630. An act to provide for the furnishing of a uniform and the presentation of a flag of the United States for deceased members of the National Guard and Ready Reserve; to the Committee on Armed Services.

H.R. 8629. An act to amend the act of July 4, 1966 (Public Law 89–491); to the Committee on the Judiciary.

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, August 7, 1967, be dispensed with.

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

## PROVIDING FOR WITHDRAWAL OF WINE FROM BONDED WINE CELLARS WITHOUT PAYMENT OF TAX WHEN RENDERED UNFIT FOR BEVERAGE USE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 474, H.R. 1282.

The PRESIDING OFFICER (Mr. BARTLETT in the chair). The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 1282) to provide for the withdrawal of wine from bonded wine cellars without payment of tax, when rendered unfit for beverage use.

The PRESIDING OFFICER. 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 Finance with amendments on page 1, line 3, after the word "That" to insert "(a)"; on page 2, after line 10, to insert:

(b) The amendment made by subsection (a) shall become effective on the first day of the first month which begins 90 days or more after the date of the enactment of this Act.

After line 13, to insert a new section, as follows:

SEC. 2. (a) Section 4918(b) of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new paragraph:

"(3) CERTAIN ACQUISITIONS BY DEALERS.—For purposes of paragraph (1), if the person acquiring the stock or debt obligation is a participating firm acting for its own account and if such participating firm would be entitled to issue a written confirmation referred to in paragraph (1)(B) if it were acting as a broker in effecting such acquisition for the account of a customer, such participating firm shall be treated as having received a written confirmation referred to in paragraph (1)(B) with respect to such acquisition."

(b) Section 4918(e) of such Code is amended—

(1) by striking out so much of the text of such section as precedes paragraph (1) and inserting in lieu thereof "A participating firm selling, or effecting the sale of, stock of a foreign issuer or a debt obligation of a foreign obligor may issue a written comparison or broker-dealer confirmation, which indicates the exemption for prior American ownership and compliance provided in subsection (a) applies to the acquisition of such stock or debt obligation, only if such participating firm (or another participating firm for which the sale is being effected) has in its possession (except in the case of a sale by a participating firm selling for its own account and in the case of a sale for another participating firm or a participating custodian to which paragraph (4) applies) a statement, upon which such participating firm (or such other participating firm) relies in good faith, executed under penalty of perjury by the person making the sale, establishing that such person is a United States person and is the owner of all stock of foreign issuers and debt obligations of foreign obligors carried in the records of such participating firm (or such other participating firm) for the account of such person; and such participating firm (or such other participating firm) either—";

(2) by inserting after "July 14, 1967" in paragraph (2) the following: ", acquired such stock or debt obligation for its own account, if the exemption for prior American ownership and compliance provided in subsection (a) applied to such acquisition by reason of subsection (b)(3), or";

(3) by striking out "or" at the end of paragraph (6), by striking out the period at the end of paragraph (7) and inserting in lieu thereof "; or", and by inserting after paragraph (7) the following new paragraph:

"(8) conditions set forth in regulations prescribed by the Secretary or his delegate are met."; and

(4) by adding at the end of such section the following new sentence: "For purposes of paragraphs (2), (3), (5), and (7), the term 'seller' does not include a participating firm selling for its own account."

(c) Section 4918(h)(2) of such Code is amended by striking out "it has in its possession a statement, upon which it relies" in the matter preceding subparagraph (A) and inserting in lieu thereof "such participating firm or participating custodian (or another participating firm or participating custodian for which the delivery is being effected) has in its possession a statement upon which such participating firm or participating custodian (or such other participating firm or participating custodian) relies".

(d) Section 6681(a) of such Code is amended by inserting "or 4918(h)" after "section 4918(e)".

(e) Section 7241(b) of such Code is amended by inserting "or 4918(h)" after "section 4918(e)".

(f) The amendments made by this section

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(other than by subsections (d) and (e) shall apply with respect to acquisitions of stock and debt obligations made after July 14, 1967. The amendments made by subsections (d) and (e) shall take effect on the date of the enactment of this Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the amendments be considered en bloc, and that then the distinguished Senator from Delaware [Mr. WILLIAMS] be recognized.

The PRESIDING OFFICER. Without objection, the amendments are considered and agreed to en bloc.

The Senator from Delaware is recognized.

Mr. WILLIAMS of Delaware. Mr. President, I shall take but a moment to call attention to the confusion in the Treasury Department.

The amendments to the bill—and I support the amendments—are amendments to the interest equalization tax act, an act which was passed less than a week ago and signed by the President. The interest equalization tax was first passed by Congress about 4 years ago. It took the administration nearly 4 years to find out that the act was shot full of loopholes, and even then they gave it no attention, until the scandal had been exposed in the press. Then they came frantically before our committee, with 16 pages of amendments, to correct the loopholes in the law. They insisted the committee approve the proposed amendments, with less than 24 hours to examine them.

I protested at the time that this was an irresponsible manner in which to try to deal with a subject as delicate as our Revenue Code, and that it would be physically impossible for either the committee or the Treasury Department to know what they were doing. As evidence that I was correct, we now have before us a bill embracing 4 pages of amendments to correct the 16 pages of amendments which they submitted before.

As an example of how irresponsible their earlier stampede for action was, I call attention that in the prior amendments they spelled out what the industry could and could not do, but they failed to include any penalties for anyone who did not comply.

I hope the Treasury Department will take heed that this procedure was highly irresponsible. I hope the next time they have a recommendation to submit to Congress, they will start early enough to examine it, and then submit it to us so that we and our staff will have sufficient time to consider it.

This is an irresponsible way to run a railroad, even in Texas.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 489), explaining the purposes of the bill.

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

I. SUMMARY

The bill as passed by the House provides for the tax-free withdrawal from bonded wine cellars of wine and wine products where they are rendered unfit for beverage use. This tax-free withdrawal privilege is not to be available in the case of wine or wine products containing more than 21 percent alcohol. Your committee has adopted this provision with a minor perfecting amendment moving up the effective date.

In addition, your committee has amended this bill to add some technical perfecting amendments to the interest equalization tax as extended and amended by the recently enacted Interest Equalization Tax Extension Act of 1967. These amendments carry out the purpose of that act.

The Treasury Department has indicated that it has no objection to the enactment of the House-passed provision relating to wine and wine products and strongly endorses the enactment of the perfecting amendments to the interest equalization tax.

II. GENERAL STATEMENT

Present law imposes an excise tax on the withdrawal of wine from a bonded wine cellar at rates varying with the alcoholic content of the wine and based on the natural or artificial carbonation of the wine. However, wine may also be withdrawn from bonded wine cellars free of tax for use in the production of vinegar and for certain other limited purposes.

Present law permits a drawback of all but $1 of tax per gallon in the case of distilled spirits where they are rendered unfit for beverage use, but no comparable provision is provided under present law in the case of wines.

Requests have been made that the tax-free withdrawal of wine from bonded wine cellars be permitted as a means of disposing of an over-supply in cases where there is a fruit surplus. The wines withdrawn in such cases would be used for salted cooking wines, in medicinal preparations or in food flavoring products, in producing agricultural feed and for other purposes.

Your committee sees no reason why a tax-free withdrawal privilege should not be available in the case of wines where they are withdrawn for nonbeverage purposes, since distilled spirits, through operation of the drawback provision in effect are subject to only a tax of $1 per gallon where they are used for nonbeverage purposes. It is important, however, that wines withdrawn in this manner are not used for beverage purposes and thus evade the taxes on alcoholic beverages.

To guard against evasion of the alcoholic beverage taxes, the bill provides that the wines so withdrawn must be rendered unfit for beverage use. "Unfit for beverage use" in this case means the same as when that term is used in the Internal Revenue Code in the case of drawbacks of the tax on distilled spirits used in the production of medicines, flavorings, and food products. However, it is provided in the bill that the wine or wine products before withdrawal may be treated in a manner to render them suitable for their intended use.

The bill excludes from coverage wines containing more than 21 percent alcohol. This is provided in part, because it is believed that the inclusion of wines with a higher alcoholic content might well result in attempted diversion for beverage use. In addition, a tax exemption for these high alcoholic content wines, because of their resemblance to distilled spirits, might place persons now using distilled spirits in nonbeverage products at a competitive disadvantage, since a net tax of $1 a gallon is paid on the distilled spirits used in such a manner.

Your committee has amended this bill to provide that the effective date of this provision is to be the first day of the first month which begins 90 days or more after the date of enactment of the bill rather than the date of enactment. This is to provide time for the preparation of regulations on the new provision.

It is expected that this bill will result in only a negligible revenue loss.

III. AMENDMENTS TO THE INTEREST EQUALIZATION TAX

*1. Participating firm acting for its own account (secs. 2(a) and (b)(4) of the bill and secs. 4918(b) and 4918(e)(2) of the code)*

The procedures introduced by the Interest Equalization Tax Extension Act of 1967 are directed generally to the manner in which the exemption for prior American ownership and compliance can be established in situations where a participating firm is either acquiring foreign securities for the account of a customer or is selling foreign securities for the account of a customer. A participating firm, however, may acquire foreign securities for its own account or it may sell securities which it owns as a dealer or underwriter. Although the participating firm is, in effect, its own customer in these situations, some of the requirements of the new procedures might not be technically satisfied.

Your committee believes that it is unnecessary to differentiate for this purpose between the situation where the participating firm is acquiring securities for its own account or is selling securities which it owns and the situation where the firm is effecting the acquisition or sale of securities for the account of a customer. Therefore, your committee has added an amendment to the House bill which provides that, under the new procedures for establishing the exemption for prior American ownership and compliance, a participating firm which is acting for its own account will generally be treated in the same manner as if it were a customer for whom it is acting as broker.

This amendment is effective with respect to acquisitions of stock or debt obligations made after July 14, 1967.

*2. Participating firm effecting sale for another participating firm (secs. 2(b) (1) and (4) of the bill and sec. 4918(e) of the code)*

Under the new procedures introduced by the Interest Equalization Tax Extension Act of 1967, a participating firm effecting the sale of foreign securities may not indicate that the exemption for prior American ownership and compliance applies to the acquisition of the securities, unless certain conditions are satisfied. These conditions generally are directed to insuring that the customer for whom the securities are being sold has met any interest equalization tax obligations he may have had in connection with his acquisition of the securities and is eligible to dispose of the securities as a U.S. person. It has come to the attention of your committee that it is a normal market procedure for securities which are held for the account of a customer by one broker to be sold (when the customer so directs) by that broker through a second broker. It is of course the first broker, and not the broker actually effecting the sale, which possesses evidence that the prescribed conditions are satisfied. Your committee does not believe that it is necessary in transactions of this type to require the broker effecting the sale of the securities to possess the evidence that the prescribed conditions have been satisfied, if both it and the broker for which the sale is being effected are participating firms and if the latter broker possesses the necessary evidence.

For the reasons given above, your committee has added an amendment to the House bill which provides that a participating firm effecting a sale of foreign securities may indicate the exemption for prior American ownership and compliance applies to the acquisition of the securities, if the sale is being effected for another participating firm and that firm possesses evidence that the prescribed conditions have been satisfied.

This amendment is effective with respect to acquisitions of stock or debt obligations made after July 14, 1967.

*3. Requirements for indicating the exemption applies (sec. 2(b)(3) of the bill and sec. 4918(e) of the code)*

Under the procedures introduced by the Interest Equalization Tax Extension Act of 1967, unless certain conditions are satisfied, a participating firm effecting the sale of foreign securities may not indicate that the exemption for prior American ownership and compliance applies to the acquisition of the securities. The attention of your committee was directed to the fact that it may be determined that there are other circumstances under which such sales can be made without impairing the effectiveness of the new procedures. Moreover, the methods by which foreign securities are traded may be modified from time to time, and it is possible that the enumerated requirements might not coincide with a modified form of trading.

Your committee believes it is desirable to provide a method by which the effectiveness of the procedures introduced by the Interest Equalization Tax Extension Act of 1967 can be maintained without, however, impairing normal trading activity if such a determination is made or if trading practices or methods are modified. Accordingly, your committee had added an amendment to the House bill which provides that the Secretary or his delegate may by regulations prescribe other conditions which, if satisfied, will allow a participating firm effecting the sale of foreign securities to indicate that the exemption for prior American ownership and compliance applies to the acquisition of the securities.

This amendment is effective with respect to acquisitions of stock or debt obligations made after July 14, 1967.

*4. Possession of statement of U.S. person status under transfer of custody procedures (sec. 2(c) of the bill and sec. 4918 (h)(2) of the code)*

Under the new procedures introduced by the Interest Equalization Tax Extension Act of 1967, a participating firm or participating custodian may not issue a transfer of custody certificate in connection with the transfer of securities which it holds for a person, unless it possesses a statement of U.S. person status and ownership executed by that person. It is, however, a normal practice for a custodian which holds securities for a customer to deposit those securities with another custodian in order to facilitate the trading of the securities. In this case, however, the custodian actually transferring the securities would not possess the statement of U.S. person status and ownership executed by the customer of the depositing custodian. Your committee does not believe it is necessary in transactions of this type for the custodian transferring the securities to possess the statement of U.S. person status and ownership, if both it and the custodian for which the transfer is being effected are participating firms or participating custodians and if the participating firm or participating custodian for which the transfer is being effected possesses the statement.

For the reasons given above, your committee has added an amendment to the House bill which provides that a participating firm or participating custodian effecting a transfer of securities does not have to possess, in order to issue a transfer of custody certificate, a statement of U.S. person status and ownership executed by the person who owns the securities, if the transfer is being effected for another participating firm or participating custodian and that firm or custodian has the required statement in its possession.

This amendment is effective with respect to acquisitions of stock or debt obligations made after July 14, 1967.

*5. Civil penalty for false statement of U.S. person status (sec. 2(d) of the bill and sec. 6681(a) of the code)*

Under amendments made by the Interest Equalization Tax Extension Act of 1967, a civil penalty is provided in the case where a person knowingly executes a false statement as to his status as a U.S. person and his ownership of foreign securities. The penalty only applies, however, in situations where the person executes the statement for the purpose of allowing a participating firm to sell stock or debt obligations owned by the person pursuant to the new procedures for establishing that the exemption for prior American ownership and compliance applies to the acquisition of the securities. A similar statement of status and ownership must also be filed, however, with a participating firm or a participating custodian to enable the firm or custodian to transfer (rather than sell) securities owned by the person to another participating firm or custodian with a transfer of custody certificate.

Your committee believes it was intended that the civil penalty should also apply in cases where a person knowingly executes a false statement as to his status as a U.S. person and his ownership of foreign securities for purposes of the transfer of custody procedures. Accordingly, your committee has added an amendment to the House bill which makes the civil penalty applicable in this situation.

This amendment is effective as of the date of enactment of the bill.

*6. Criminal penalty for fraudulent or false statement of U.S. person status (sec. 2(e) of the bill and sec. 7241(b) of the code)*

The Interest Equalization Tax Extension Act of 1967 provided a criminal penalty in cases where a person willfully executes a false or fraudulent statement as to his status as a U.S. person and his ownership of foreign securities. The penalty only applies, however, when the statement is executed in connection with the new procedures for establishing that the exemption for prior American ownership and compliance applies to an acquisition of foreign securities. It does not apply when the statement is made for purposes of the transfer of custody procedures.

Your committee believes, as in the case of the civil penalty discussed in No. 5 above, that it was intended the criminal penalty should also apply where a person willfully executes a false or fraudulent statement as to his status as a U.S. person and his ownership of foreign securities for purposes of the transfer of custody procedures. Accordingly, your committee has added an amendment to the House bill which makes the criminal penalty applicable in this situation.

This amendment is effective as of the date of enactment of this 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.

The title was amended so as to read: "An act to provide for the withdrawal of wine from bonded wine cellars without payment of tax when rendered unfit for beverage use, and for other purposes."

## COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

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

## RECOGNITION OF SENATOR HRUSKA

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the distinguished Senator from Nebraska [Mr. HRUSKA] may, with several other Senators, be recognized at 12:15 p.m., for a period not to exceed one-half hour.

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

## LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that statements in relation to routine morning business be limited to 3 minutes.

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

## REPORT OF ATLANTIC-PACIFIC INTEROCEANIC CANAL STUDY COMMISSION—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 154)

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

*To the Congress of the United States:*

I am transmitting the Third Annual Report of the Atlantic-Pacific Interoceanic Canal Study Commission. The report covers the period July 1, 1966 to June 30, 1967.

During the past 12 months, the Commission has put its program into full operation. The site survey agreement, signed with Colombia on October 25, 1966, permitted the Commission to start the engineering survey of the alternate sea-level canal route in the northwestern part of that country. In Panama, the Commission completed the first full year of data collection on the routes under consideration. The first modern topographic maps of the potential canal area near the border of Nicaragua and Costa Rica were completed by the Inter-American Geodetic Survey. The Commission's Engineering Agent made a preliminary evaluation of this route on the basis of these maps.

Interagency working groups finished their initial drafts of special studies on the broad national and international implications of a sea-level canal. These studies cover foreign policy, national defense, canal financing, shipping patterns and engineering feasibility.

Because of unavoidable delays in starting the field work in Panama and Colombia, and because the Plowshare nuclear cratering experiments needed to determine the technical feasibility of nuclear excavation have been postponed, the Commission found that it would require additional time and funds to complete the mission assigned to it in Public Law 88-609.

An amendment for this purpose has already been approved by the Senate. I recommend its early approval by the House of Representatives.

There is little doubt that the construc-

tion of a sea-level canal is technically feasible. The major questions to be resolved are—

When it will be needed;

Whether it would be financially feasible; and,

Where and how it should be constructed.

While past studies have put the need around the end of this century, recent traffic growth has been more rapid than was earlier foreseen, and the need may develop much sooner. As legislation, planning, and construction could require 15 years from the date a recommendation to proceed is made to the Congress, it is clearly in the national interest for the Commission's comprehensive investigation to proceed as rapidly as possible.

This anniversary finds the canal investigation well advanced on its planned course. I take great pleasure in forwarding the report of progress to date.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *August 8, 1967.*

## EXECUTIVE COMMUNICATIONS, ETC.

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

PROHIBITION OF RIOTS AND INCITEMENT TO RIOT IN THE DISTRICT OF COLUMBIA

A letter from the Attorney General, and President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation relating to the prohibition of riots and incitement to riot in the District of Columbia (with an accompanying paper); to the Committee on the District of Columbia.

REPORT OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on need for improving policies and procedures for estimating costs, evaluating bids, and awarding contracts for dredging, Corps of Engineers (Civil Functions), Department of the Army, dated August 1967 (with an accompanying report); to the Committee on Government Operations.

REPORT OF SPECIAL MEETING OF THE JUDICIAL CONFERENCE OF THE UNITED STATES

A letter from the Chief Justice, Supreme Court of the United States, transmitting, pursuant to law, a report of the proceedings of a special meeting of the Judicial Conference of the United States, held at Washington, D.C., March 30 and 31, 1967 (with an accompanying report); to the Committee on the Judiciary.

## PETITIONS AND MEMORIALS

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

By the PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the State of Iowa; to the Joint Committee on Atomic Energy:

"HOUSE CONCURRENT RESOLUTION 30

"Whereas, our great nation is founded upon the principles and concepts of equal opportunity and justice for all its citizens; and

"Whereas, since 1860 the state of Iowa has been a leader among the several states in providing said equal opportunity and justice for all its citizens, and has always demonstrated its great concern for human welfare and dignity by the enactment of progressive anti-discriminatory laws; and

"Whereas, there is now pending before the appropriations committee of the Congress of the United States of America, the proposed budget submitted by the Atomic Energy Commission for the establishment of a three hundred seventy-five million dollar atomic accelerator laboratory to be constructed at Weston, Illinois, and

"Whereas, the legislature of the state of Illinois has neglected, failed and refused to show its concern for the welfare of all the citizens of Illinois by failing to legislate nondiscriminatory laws in the area of fair and open housing; now, therefore,

"Be it resolved by the House, the Senate concurring, That the Congress of the United States of America is hereby strongly urged to instruct the Atomic Energy Commission from proceeding with present plans for awarding the proposed three hundred seventy-five million dollar installation at Weston, Illinois.

"Be it further resolved, That the Congress of the United States of America instruct the Atomic Energy Commission to allow the state of Iowa the opportunity to submit additional specifications outlining Iowa's exceptional and outstanding capabilities and physical resources for said atomic accelerator facility.

"Be it further resolved, That enrolled copies of this Resolution be forwarded to the Secretary of the Senate and to the Clerk of the House of Representatives of the United States of America and to all members of Iowa's congressional delegation to be circulated by them among their fellows."

A petition signed by Climmie Nunley, and sundry other citizens of the State of Oregon, favoring the enactment of legislation to increase social security benefits; to the Committee on Finance.

## REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. LONG of Missouri, from the Committee on the Judiciary, without amendment:

S. Res. 130. Resolution to provide additional funds for the Committee on the Judiciary; referred to the Committee on Rules and Administration.

## EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

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

William Haddon, Jr., of New York, to be Director of the National Highway Safety Bureau, referred to the Committee on Commerce; and

Orren Beaty, Jr., of Arizona, to be Federal Cochairman of the Four Corners Regional Commission.

## BILLS INTRODUCED

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

By Mr. SMATHERS:

S. 2256. A bill for the relief of Dr. Margarita Lorigados; to the Committee on the Judiciary.

By Mr. BIBLE:

S. 2257. A bill to declare that the United States holds in trust for the Washoe Tribe of Indians certain lands in Alpine County, Calif.; to the Committee on Interior and Insular Affairs.

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

By Mr. RIBICOFF (for himself and Mr. PERCY):

S. 2258. A bill to establish an emergency fund to be available to the President to assist locally initiated and neighborhood-oriented programs to improve the quality of urban life and to lessen the incidence of urban disorders and violence; to the Committee on Banking and Currency.

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

By Mr. McINTYRE:

S. 2259. A bill for the relief of Filippa Bonarrigo; to the Committee on the Judiciary.

## CONCURRENT RESOLUTION RIOT PREVENTIVE MEASURE

Mr. SCOTT. Mr. President, on behalf of myself and Senators MORTON, PERCY, and TOWER, I am submitting today a concurrent resolution calling for the launching of a neighborhood action crusade to ease the tensions now threatening the domestic tranquillity.

We are in a time of national crisis. Violence, rioting, and looting have besieged many of our cities, Newark, Detroit, Milwaukee, and Cambridge are examples of what can happen elsewhere during the remainder of the summer. We must act now to avert further violence.

What I am proposing today is nothing more or less than preventive action. It is a 60- to 90-day program designed, not to cure the ills that breed discontent in our cities, but, rather, to relieve the tensions during the remainder of the summer before more riots erupt.

The neighborhood action crusade, I feel, can help provide this relief.

The overwhelming majority of Americans strongly oppose disorder and violence. These law-abiding citizens should, therefore, become involved in a movement to keep the peace within their own neighborhoods. The neighborhood action crusade is designed to enlist their involvement.

The crusade would consist of local volunteer organizations, working constructively to rally the stabilizing influence that exists in the neighborhoods. In this way, local neighborhood leaders, working within their own areas, can provide understanding, continuing communications and positive direction in this crusade to preserve peace in our cities.

I envision the neighborhood action crusade of citizens working on a block-by-block basis, perhaps on rotating shifts, to patrol their own neighborhoods, disperse crowds, talk to their neighbors and listen to their grievances, and, in general, to keep the smoldering embers from becoming a conflagration.

I believe this can be a low-cost program of short duration carried out with already appropriated funds. Local government would provide administrative services and coordination of the program. The Federal Government would provide the funds and equipment to support the local effort.

The neighborhood action crusade was originally proposed in House Joint Resolution 759 by four Members of the

other body as a nonpartisan approach. At the time of its introduction, they called for a 60-day moratorium on partisan politics and simplistic explanations. Since its introduction last Tuesday, the House Joint Resolution 759 has picked up 60 cosponsors from both parties.

It is in that spirit that I offer this concurrent resolution today. I believe it is genuinely in the national interest and can be a most useful approach.

The concept contained in this program has worked on a limited basis in areas across the country. In Tampa the White Hats helped to defuse a riot; in Louisville, the mayor, since last week, has been implementing the neighborhood action crusade. In Milwaukee, a youth, working on his own, prevented a riot from spreading by talking down 200 young people. In many other cities, the cool heads of the community have helped keep the peace.

I ask support of this concurrent resolution and call for the immediate implementation of the neighborhood action crusade on a nationwide basis.

I would welcome cosponsors on this concurrent resolution from both sides of the aisle.

Mr. President, I ask unanimous consent that the text of my concurrent resolution be printed in the RECORD.

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

The concurrent resolution (S. Con. Res. 39) was referred to the Committee on the Judiciary, as follows:

S. CON. RES. 39

Whereas the overwhelming majority of Americans are law-abiding citizens, strongly opposed to disorder and violence; and

Whereas the involvement of all citizens in cooperative efforts to maintain peace within their own neighborhoods is essential to the amelioration of the current tensions in our cities; and

Whereas such involvement must be voluntary, and organized and directed by citizens at the local level: Now, therefore, be it

*Resolved by the Senate (the House of Representatives concurring)*, That the Congress urges the President to call upon all communities in the United States to initiate a Neighborhood Action Crusade to provide continuing communication among all citizens of each community and their local governments and thereby ease tensions now threatening the domestic tranquillity, such crusade to be developed, organized, and led by local citizens, working within their own neighborhoods and in conjunction with their local governments on a voluntary basis to rally those stabilizing influences within each community necessary to preserve peace; and be it further

*Resolved*, That the Congress urges the President to place at the disposal of such local governments as may request assistance, such funds and equipment, authorized under existing statutes, as may be necessary to support the Neighborhood Action Crusade.

## LANDS TO BE HELD IN TRUST FOR WASHOE INDIAN TRIBE

Mr. BIBLE. Mr. President, I introduce, for appropriate reference, a bill to declare that the United States holds in trust for the Washoe Indian Tribe certain lands in Alpine County, Calif.

Mr. President, the land involved in this legislation embraces some 80 acres of Federal domain adjacent to the Washoe Indian Reservation in Nevada. It is needed to guarantee orderly community development of the reservation. Specifically, the acreage will provide a land base for an Indian housing development.

There were some preliminary problems in reaching agreement on the site, but there was no objection to the merits of the case. The Washoe Tribe, which certainly can lay prior claim to the area long in advance of State and county organization, definitely should have this tribal land.

This legislation now has the full support of the Interior Department, and I am informed there is no opposition in California to protecting Indian rights to this land.

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

The bill (S. 2257) to declare that the United States holds in trust for the Washoe Tribe of Indians certain lands in Alpine County, Calif., introduced by Mr. BIBLE, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

## AMENDMENT OF EXPORT-IMPORT BANK ACT OF 1945—AMENDMENT

AMENDMENT NO. 245

Mr. ELLENDER proposed an amendment to the bill (S. 1155) to amend the Export-Import Bank Act of 1945, as amended, to shorten the name of the Bank, to extend for 5 years the period within which the Bank is authorized to exercise its functions, to increase the Bank's lending authority and its authority to issue, against fractional reserves, export credit insurance and guarantees, and for other purposes, which was ordered to be printed.

AMENDMENT NO. 246

Mr. DIRKSEN (for himself, Mr. MURPHY, Mr. MUNDT, Mr. HANSEN, Mr. THURMOND, Mr. HRUSKA, Mr. COTTON, Mr. DOMINICK, Mr. CURTIS, Mr. BENNETT, Mr. FANNIN, Mr. JORDAN of Idaho, Mr. WILLIAMS of Delaware, Mr. CARLSON, and Mr. BYRD of Virginia) submitted an amendment, intended to be proposed by him, to S. 1155, supra, which was ordered to lie on the table and to be printed.

## ADDITIONAL COSPONSORS OF BILLS

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that, at its next printing, the name of the senior Senator from Oregon [Mr. MORSE] be added as a cosponsor of the bill (S. 428) to amend the Elementary and Secondary Education Act of 1965 in order to provide assistance to local educational agencies in establishing bilingual American educational programs, and to provide certain other assistance to promote such programs.

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

Mr. HRUSKA. Mr. President, I ask unanimous consent that, at its next printing, the names of the Senator from Pennsylvania [Mr. SCOTT], the Senator from Illinois [Mr. PERCY], the Senators from California [Mr. KUCHEL and Mr. MURPHY], the Senators from South Carolina [Mr. THURMOND and Mr. HOLLINGS], the Senator from Nebraska [Mr. CURTIS], the Senator from Arizona [Mr. FANNIN], the Senator from Iowa [Mr. MILLER], and the Senator from New Hampshire [Mr. COTTON] be added as cosponsors of the bill (S. 2050) to prohibit electronic surveillance by persons other than duly authorized law enforcement officers engaged in the investigation or prevention of specified categories of offenses, and for other purposes.

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

## OIL SHALE HEARINGS

Mr. JACKSON. Mr. President, I wish to announce that the Committee on Interior and Insular Affairs has scheduled an open public hearing on the subject of the publicly owned oil shale resources of the United States.

Particular emphasis will be placed on the proposed regulations of the Secretary of the Interior which are intended to govern the development of these public assets.

The hearing will be held on September 14, beginning at 10 o'clock a.m., in room 3110, New Senate Office Building. All persons who are interested in testifying will be welcome to do so.

## NOTICE OF HEARINGS BEFORE SUBCOMMITTEE ON POSTAL AFFAIRS

Mr. YARBOROUGH. Mr. President, as chairman of the Subcommittee on Postal Affairs of the Committee on Post Office and Civil Service, I wish to announce that public hearings will be held on S. 274 in room 6202 in the New Senate Office Building at 10 a.m., Tuesday, August 15, 1967.

Persons wishing to testify may arrange to do so by contacting the committee, telephone 225-5451.

## NOTICE OF HEARINGS BEFORE SUBCOMMITTEE ON CIVIL SERVICE

Mr. RANDOLPH. Mr. President, as chairman of the Subcommittee on Civil Service of the Committee on Post Office and Civil Service, I wish to announce that public hearings will be held on S. 236 in room 6202 of the New Senate Office Building at 10 a.m., Tuesday, August 22, 1967.

Persons wishing to testify may arrange to do so by contacting the committee, telephone 225-5451.

## IMPLEMENTATION OF NEEDED RIOT INSURANCE

Mr. KUCHEL. Mr. President, offered to the demonstration cities bill of 1966 was an amendment I sponsored to give the innocent victims of riot areas an opportunity to obtain loans by which to purchase their own homes. The Senate

accepted it, and the House followed suit, and it is now the law.

The amendment was offered in view of the serious home financing situation which had developed in the Watts, Calif., area following the racial disturbances of 1965. It became impossible to obtain loans at any rate of interest for the purchase of homes. Loan companies had formed a wall around these areas and refused to render assistance. The risk was simply too high for a bank or lending agency to assume.

These same conditions are being repeated in riot-torn areas throughout the country. Today, however, the Department of Housing and Urban Development has a new effective tool to help those citizens who want to become homeowners in these areas.

My amendment allows FHA to insure mortgages in areas in which disorders have occurred or are threatened if the properties concerned are an acceptable risk, "giving due consideration to the need for providing adequate housing for families of low and moderate income in such areas."

Mr. President, I am happy to say that FHA is today implementing the legislation I authored. There must be a distinction made between the lawless miscreants and those inhabitants of potential riot areas who have a stake in the social order, who are or who want to be homeowners, and who hold to the same standards of morality and behavior which you and I would approve in any citizen.

Mr. President, I ask unanimous consent that the various letters and releases from HUD implementing my proposal be printed in the RECORD.

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

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, FEDERAL HOUSING ADMINISTRATION,
*July 31, 1967.*

Commissioner letter No. 63.

To all assistant Commissioners, Washington division heads, insuring office directors, HUD regional administrators, and the Director, regional support staff.

Subject: Prohibition of arbitrary exclusions of communities and neighborhoods and the waiver of economic soundness in riot or riot-threatened areas.

The purpose of this letter is to call to your attention the fact that FHA will not designate entire communities or areas as ineligible for participation in its mortgage insurance operations. Instead, eligibility is established in response to an application and its compliance with prescribed eligibility standards and criteria. This is done on a case-by-case basis and places major emphasis on the eligibility of the property being examined. This policy permits use of all mortgage insurance programs in any area provided the individual transaction meets the eligibility requirements.

In some instances there has been hesitancy on the part of insuring offices to make FHA programs available in older neighborhoods. An automatic exclusion of a community or neighborhood merely because it is old can result in the shutting off of capital investments in these areas. Likewise, limiting FHA participation to one program, for example, Section 221(d)(2), can mark an area as one in which FHA lacks confidence. Real estate brokers and mortgage lenders, when they have knowledge of arbitrary exclusions by FHA, tend to hold back on conventional financing. The non-availability of mortgage funds accelerates decline and increases the costs and problems of financing real estate. It forces the use of second and third mortgages and other means of financing which increase the home owner's risk and housing expense.

FHA's mortgage insurance activities in older areas must not be confined to urban renewal areas or limited to one or two programs. There are many older neighborhoods and areas where FHA can and should make all of its mortgage insurance programs available on an individual case basis. Your attention and the attention of your staff is again directed to Commissioner Letter No. 38 dated November 8, 1965, and to the general policies and guides set forth therein. Also, your attention is directed to the letter to All Approved Mortgagees, No. 66-62, dated November 9, 1966. That letter announced an amendment to the National Housing Act relaxing the economic soundness requirement for Section 203(b) if the dwelling is located in an area in which rioting or other civil disorders have occurred or are threatened. To be eligible for commitment and for mortgage insurance the transaction must meet all other Section 203(b) eligibility criteria.

The intent of the amendment to Section 203 which substitutes the acceptable risk determination for economic soundness is to offer insured mortgage financing to credit worthy individuals who are the innocent victims of their surroundings: a neighborhood where riots have occurred or are threatened. The amendment makes it possible for responsible citizens to remain in an area and to form a stable nucleus of home owners. It encourages eligible purchasers to move into the area because favorable mortgage terms are available. Denial of section 203 financing in these areas when property and borrower are an acceptable risk is a restrictive financial practice that hinders the free flow of credit for home purchasers.

Waiver of the economic soundness requirement by statute; and the policies and instructions in the two cited letters are a firm basis for using all FHA programs in a community; provided the individual transaction meets the eligibility requirements for that program. This means that if the particular unit meets minimum property standards and the mortgagor qualifies, the mortgage is insurable under 203(b) even though the neighborhood would not permit a finding of economic soundness. A memorandum should be put in the file supporting the finding.

Please see that all members of your staff are familiar with FHA policy concerning the use of all programs in a community or neighborhood. Also any arbitrary and area-wide exclusions as to a particular program that are in effect are to be rescinded. The foregoing does not preclude the continued designation of well defined areas as ineligible for mortgage insurance when definite hazards and nuisances exists; for example, areas subject to flooding or subsidence, areas adversely affected by airports, and areas in transition from residential to commercial or industrial usage.

Effective upon receipt of this letter each insuring office will tabulate by case number and property address all Section 203(b) conditional commitments issued on an "acceptable risk" basis by reason of the property's location in an area where rioting or other civil disorders have occurred or are threatened. This listing will be maintained in the evaluation section and will be made when the commitment is released. Each Friday a copy of the listing will be attached to the copies of Weekly Report of Operations, Form 2498, submitted to the Regional Operations Commissioner and to the Research and Statistics Division. In any week in which there are no 203(b) "acceptable risk" commitments, a footnote statement to that effect shall be made on Form 2498.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, FEDERAL HOUSING ADMINISTRATION,
*Washington, D.C., July 31, 1967.*

To all approved mortgagees.

Subject: Prohibition of arbitrary exclusions of communities and neighborhoods and the waiver of economic soundness in riot or riot-threatened areas.

The purpose of this letter is to call to your attention a letter that I am sending to our insuring offices concerning the utilization of FHA mortgage insurance programs. The FHA does not designate entire communities or areas as ineligible for participation in its mortgage insurance programs. Instead, eligibility is established in response to an application and its compliance with prescribed eligibility standards and criteria. This is done on a case-by-case basis and places major emphasis on the eligibility of the property being examined. This policy permits use of all mortgage insurance programs in any area provided the individual transaction meets the eligibility requirements.

Properties in areas where riots or other civil disorders have occurred or are threatened are also eligible for mortgage insurance. The "economic soundness" requirement for Section 203(b) home mortgages is eliminated for these areas.

Sincerely yours,
PHILIP N. BROWNSTEIN,
*Assistant Secretary-Commissioner.*

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT,
*Washington D.C., August 2, 1967.*

Acting under a 1966 amendment to the National Housing Act, the Department of Housing and Urban Development today assured prospective home buyers that no community or neighborhood would be denied home mortgage insurance. The provision relaxed the requirement for economic soundness if the dwelling is located in an area in which rioting or other civil disorder has taken place or is threatened.

P. N. Brownstein, assistant secretary of HUD and Federal Housing Administration Commissioner, said each application for mortgage insurance would be decided on its own merit.

Mr. Brownstein said today FHA policy is to make all of its mortgage insurance programs available in any area as long as the individual transaction meets the eligibility requirements.

He said the intent of the amendment, which calls for an acceptable risk determination instead of economic soundness, was to offer insured mortgage financing to creditworthy individuals who are the innocent victims of their surroundings. "This makes it possible for responsible citizens to remain in an area and to form a stable nucleus of home owners," he said.

Mr. Brownstein, in a letter to FHA field directors throughout the country, also said the mortgage insurance activities in older neighborhoods should not be confined to urban renewal areas or limited to one or two programs.

He said there are many older neighborhoods in which FHA "can and should" make all of its programs available on an individual case basis.

"In some instances," he said, "there has been a hesitancy on the part of insuring offices to make FHA programs available in older neighborhoods. An automatic exclusion of a community or neighborhood merely because it is old can result in the shutting off of capital investments in these areas. The non-availability of mortgage funds accelerates decline and increases the costs and problems of financing real estate."

## HOW DELAWARE MAINTAINS LAW AND ORDER

Mr. WILLIAMS of Delaware. Mr. President, I take this opportunity to join all Delawareans in congratulating the Governor of our State upon the strong stand that he has taken to maintain law and order.

In the past couple of weeks a series of minor disturbances and threats of riots developed in the northern part of Delaware, and those disturbances were held under control only through the prompt and efficient operations of the Wilmington police supported by elements of the Delaware National Guard, who were standing by.

In the days following these incidents rumors and threats of new outbreaks of civil disturbance were rampant. The Governor, to cope with this problem and to make sure that every citizen understood that he was determined to maintain law and order, called the Delaware Legislature into special session last Friday for the sole purpose of considering the enactment of a strong antiriot law with stringent penalties.

Upon the recommendation of Governor Terry the legislature promptly enacted three measures:

First. An antiriot law, establishing a mandatory 3-year prison sentence without parole for anyone convicted of rioting, encouraging a riot, or looting.

Second. A firebomb law, outlawing the manufacture or possession of molotov cocktails and firebombs.

Third. A state of emergency law, giving the Governor the authority to proclaim a state of emergency, clamp on curfews anywhere in the State, forbid gatherings, close off highways, and forbid sale of any item he deems necessary.

These three measures were promptly approved by the Delaware Legislature and signed by the Governor, thereby serving notice that as far as Delaware is concerned we are determined to maintain law and order. It is the sacred right of every American citizen to feel secure in his home and safe on our streets.

Governor Terry is a member of the opposite political party; nevertheless, I am proud to join all Delawareans, regardless of political affiliation, in paying respect to him and the members of the Delaware Legislature for taking the necessary steps to protect our citizens. At the same time the mayor of Wilmington, the police of that city, the Delaware National Guard, and the Delaware State Police all are to be commended for the effort they have been making to maintain law and order.

There can be no excuse for those who are inciting or participating in these riots. The leaders of these riots and those who are participating therein are outlaws and insurrectionists. The looters are a gang of thieves, and those who deliberately start the fires are arsonists. The snipers are potential murderers; and they should all be dealt with accordingly.

Governor Terry and the Delaware Legislature are to be highly commended for the prompt action which they have taken to protect our citizens.

I am calling this to the attention of the Senate because in my opinion other States and the Federal Government itself would do well to take a lesson from the notebook of Gov. Charles L. Terry, Jr., of Delaware.

Mr. KUCHEL. 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. YOUNG of Ohio. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

## NATIONAL RIFLE ASSOCIATION COMPETITION

Mr. YOUNG of Ohio. Mr. President, it is a shameful waste of taxpayers' money that the officials of the Defense Department failed and neglected to call off the National Rifle Association target competition at Camp Perry, Ohio, and put an end to this fat cat junket of the NRA. This is the least that Defense Secretary McNamara could do at a time when nearly $3 billion of taxpayers' money is being blown up into smoke and altogether dissipated in our involvement in an ugly civil war in Vietnam.

To date 14,000 young Americans have died in combat in Vietnam. Seventy thousand others have been wounded. From my State of Ohio alone over 700 GI's have been killed in combat in Vietnam, which means that every community in Ohio has suffered from this tragedy. I know of a little village of some 280 people where three young men were recently killed in combat in Vietnam. In addition, approximately 900 men each month become afflicted with malaria, bubonic plague and other serious tropical ailments while serving in Vietnam and Thailand. Many have died. Many will suffer the effects throughout their lives.

It seems a reckless expenditure of public money that the subsidy for the rifle matches at Camp Perry was not eliminated. In World War II and in the Korean conflict our Government called off this waste. Furthermore, nowadays with our M-16 rapid firing rifle spraying bullets with great rapidity, marksmanship is not so essential as it was in World Wars I and II. In the rapidity and swirling changes of closeup jungle fighting, there is little time for aiming and firing, and little firing from the shoulder by GI's handling the M-16 lightweight rifle.

Very definitely, this $3 million extravaganza and the use of Camp Perry should have been called off this year. This fat-cat junket for the NRA and friends who junket to Camp Perry, a beautiful location in northern Ohio fronting on Lake Erie, should be permanently eliminated. It is scandalous to hold it at a time when President Johnson is asking already heavily burdened Americans to accept an additional tax burden of 10 percent.

As an individual example of Defense Department reckless spending of taxpayers' money, here is a typical case. Robert Phillips, of Ohio, is an active Army reservist. He has completed his active duty to his country, but as a member of the Active Reserve he was called last summer to attend Army Reserve camp. Phillips, at a financial loss to himself, absented himself from his employment from June 17 to July 1. He went to Camp Perry with members of his unit. Ostensibly, this was for military training. Did he get any military training? No indeed. He spent the entire 2 weeks obeying orders from high echelon officers to clean and paint the buildings of Camp Perry so that they were bright and clean for junketeers attending the NRA target competition at Camp Perry.

Mr. President, instead of spending approximately $3 million this year, for this shameful expenditure, Camp Perry could have been made available to underprivileged children from Cleveland, Cincinnati, Toledo, and other cities in Ohio and the Middle West. Any number of uses could have been made of it. Over and above everything else, Camp Perry, instead of having these rifle matches, would be an ideal place for those unfortunate GI's who are returned to this country from Vietnam because of tropical illnesses or wounds. They could be sent to Camp Perry for rest and recuperation. It would be one of the finest places in the country for that purpose. Instead these rifle matches are held for the "fat cats" who take the junkets.

## PRESIDENT JOHNSON'S 10-PERCENT TAX INCREASE

Mr. YOUNG of Ohio. Mr. President, Americans are already burdened with heavy income taxes. Now, President Johnson asks Congress for a 10-percent tax increase on individual taxpayers and corporations.

A couple with an annual income of $7,500 would pay $183 more. Reason given—to overcome a $24 billion deficit. President Johnson's message asking for this 10-percent surcharge was not convincing to me, and, I am sure to other Senators. The President argued failure to raise taxes would result in a "spiral of ruinous inflation and brutally higher interest rates." Those grim prospects are based on Presidential rhetoric, not fact.

Why this huge deficit in the first place? Obviously, the result of our waging the most unpopular war in American history, involving this Nation in an ugly civil war in Vietnam wasting $3 billion of taxpayers' money every month. The end is not in sight. There is no logic behind this request, particularly in view of the fact that 10 months ago the President requested restoration of the investment tax credit. Congress granted this, which resulted in an $800 million loss in revenue, but benefited some corporations.

If taxes must be increased, then let us first impose an excess profits tax which would secure many billions of dollars from corporations profiteering from defense contracts. For example, Colt Industries on one huge contract to manufacture M-16 rifles for our Armed Forces made 1,400 percent profit. In World War II we had an excess profits tax; also in the Korean conflict. In 1944

this tax brought in more than $10 billion in revenue. Presently, there is no tax against excess profits.

Mr. President, I am unalterably opposed to our Vietnam involvement. This has already cost the lives of 14,000 young Americans killed in combat, including more than 700 Ohio youngsters, and 70,000 others have been wounded. Let us stop this horrible waste of priceless lives and more than $3 billion every month fighting a war in a little country 10,000 miles distant and of no importance to the defense of the United States. Very definitely, this proposed tax increase should be rejected. It is due to this unconscionable waste Americans are now asked to pay more burdensome taxes.

## A COMPARISON OF TWO MESSAGE CARRIERS—THE TELEPHONE SYSTEM AND THE POSTAL SYSTEM

Mr. WILLIAMS of Delaware. Mr. President, the Chicago Tribune of today, August 8, 1967, contains a perceptive editorial which calls attention to the vast difference in the results of the operations of the country's telephone system, which is privately owned and of the Post Office Department, which is a Government bureaucracy.

The editorial states that under private ownership the cost of a 3-minute telephone call has dropped from $6.25 in 1933 to $1.80 in 1967, while during the same period the cost of sending a first-class letter has risen from 2 cents to 5 cents.

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

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

A TALE OF TWO MESSAGE CARRIERS

A strange contrast exists in recent moves of two federal organizations, both ostensibly acting "in the public interest."

One federal agency, the Federal Communications commission, has ordered the American Telephone and Telegraph company to reduce its long distance rates. To the dismay of the more than 3 million A.T. & T. stockholders, the market value of their investment dropped several billion dollars as a result of the FCC action.

At the same time another agency, the post-office department, is asking for a 20 per cent boost in its first class rate on letters.

In less than 35 years the government-operated postal service has increased by 150 per cent the rate on letters—from 2 cents to the present 5 cents—and another increase from 5 cents to 6 cents is in the works. The rate on the old "penny" postcard, which was held at 1 cent for 80 years until 1952, would also be boosted to 6 cents.

In the same 35-year period long distance rates of the privately operated telephone company have been reduced by as much as 70 per cent.

For example, a three-minute day time station-to-station call from Chicago to Los Angeles in 1932 cost $6.25, with an overtime charge of $2 a minute after the first three minutes. Today the same call can be made for $1.80, with an overtime charge of 45 cents a minute.

A comparison of first class mail rates for years when significant changes were made since 1932 and the cost of a typical long distance telephone call [day rate, Chicago to Los Angeles] follows:

[Postage in cents]

| | 3-minute phone call | 1st class mail | |
|---|---|---|---|
| | | Letter | Post card |
| 1932 | $6.25 | 2 | 1 |
| 1933 | 6.25 | 3 | 1 |
| 1952 | 2.25 | 3 | 2 |
| 1958 | 2.20 | 4 | 3 |
| 1963 | 1.95 | 5 | 4 |
| 1967 | 1.80 | [1] 6 | [1] 6 |

[1] Proposed.

The cost of mailing a letter is the same day or night; but not for making a long distance call. The night rate for a Chicago to Los Angeles call is 90 cents for the first three minutes and 25 cents for each additional minute.

In the light of this record, it hardly seems appropriate for the government to be lecturing a private communications system on the advisability of holding down rates.

## CENTRAL ARIZONA PROJECT BILL—REASON FOR VOTE

Mr. HOLLINGS. Mr. President, I voted yesterday against the passage of S. 1004, the central Arizona project bill, because I am opposed to a tax increase this year. The bill authorizes the expenditure of $1.2 billion, and taxes would have to be increased to carry out its provisions.

## PAINTING THE IRS

Mr. LONG of Missouri. Mr. President, after a 2-year investigation by the Subcommittee on Administrative Practice and Procedure, after a Presidential order, and after strict written regulations by the Attorney General, the Internal Revenue Service at last seems reluctantly to have abandoned most of its electronic eavesdropping. It would be nice if this could be said for its harassment and intimidation of small taxpayers.

Several Senators have placed in the RECORD all or parts of a long article by Reader's Digest outstanding writer, John Barron, entitled "Tyranny in the Internal Revenue Service," August 1967 issue.

Since the publication of this article, a friend in Ohio has sent me a newspaper item published in the Mechanicsburg Telegram entitled "Court Vindicates Sam in IRS Paint Spraying Hassle."

The article describes the tactics used by one IRS agent. The agent harassed a very small taxpayer—his total earnings for the year were $1,792—to the point where he literally drove the agent from the house by swinging a paint sprayer on him.

Obviously, it is neither proper nor legal to turn a paint sprayer on any agent of the Federal Government. However, if one ever deserved it, this IRS agent did, and the judge suspended the sentence against the taxpayer.

The details of the harassment are spelled out in the article in the Mechanicsburg Telegram. I ask unanimous consent that it be printed in the RECORD.

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

COURT VINDICATES SAM IN IRS PAINT SPRAYING HASSLE

Sam Collier, 44-year-old Mechanicsburg house painter who swung his paint sprayer on an Internal Revenue Service collection agent last November, won suspension of a 60-day sentence in U.S. District Court in Dayton Friday before Judge Carl Weinman, who took a slap at IRS collection methods.

The agent, Wayne Vinson of the Sidney IRS office, had been after Collier for an overdue payment of $217 Social Security tax. Collier did not owe income taxes because he had earned only $1,792 the year before.

The judge noted Collier is a decorated World War II veteran who enlisted and got by doctors although he had been classified 4F.

The judge also noted the agent came to Collier's home here as many as 10 times in one month. Once he came at 4 a.m. and waited in his car until Collier came out.

Another time the agent woke up Collier's 85-year-old neighbor at 5:30 a.m. to ask about Collier's financial status.

On Nov. 1 in an effort to attach wages paid to Collier, the agent went to a house Collier was painting. That's when Sam turned and started spraying the agent. Collier chased him and continued to spray him until he ran out of hose.

Collier later pleaded guilty to intimidation of a government officer.

But his attorney argued the methods used by the IRS agent "would make a small loan collector blush."

The attorney said Collier had been unduly harassed for the small amount of money owed the government.

"This court agrees," Judge Weinman said, closing the case file. "Sentence suspended." Collier had been given 60 days.

## DOES UNITED STATES AID FOE?

Mr. CURTIS. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Does United States Aid Foe?" and written recently by Bill Henry, of the Los Angeles Times.

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

DOES UNITED STATES AID FOE?

(By Bill Henry)

WASHINGTON.—While some people are gurgling with glee over the Soviet's latest diplomatic discomfiture in the United Nations, not so Karl E. Mundt, the senator from South Dakota. Diplomatic setbacks don't mean much in Russia where most of the citizens never heard of the Sinai Desert but economic advances do mean something and the roly-poly man from South Dakota say the Soviet has been doing better than it should, thanks to a lot of misguided help from the United States.

Mundt says that thanks to our own foolish policy in matters of trade, we are increasing the risk to our fighting men on the battlefront. Mundt, a scholarly ex-school teacher, is not one to just make assertions. He digs deep for facts and, as a result of this digging he has introduced legislation to place an embargo on exports of American goods to Communist countries aiding North Vietnam's war effort.

THE SOVIET WAR EFFORT

The 1962 law under which Congress expressly prohibited shipment of goods of economic significance to the Soviet is, Mundt says, being flouted day by day. He cites $482,250 worth of diethylene glycol (used for explosives and liquid rocket propellants) shipped to the Soviet last year. This year $2,387,000 worth of chemical wood pulp (it is made into nitrocellulose for solid rocket fuels) went from the U.S.A. to the U.S.S.R. Also $268,975 worth of polyvinyl butyral (used for bullet-resistant glass) went to the Russians.

The Soviets, Mundt notes, are supplying

virtually all of the petroleum products used in the war by North Vietnam. They are also conducting an oil war, encouraging the Arab nations to cut off shipments to the West and meantime conducting a huge search for oil themselves. Mundt says they have more Soviet prospecting crews out than the combined total of all Western interests. But the Soviets are handicapped because they cannot produce the diamond bits used for deep drilling. These are produced in the United States and just last fall diamond drill bits were removed from export control.

BLAMES WHITE HOUSE

Mundt isn't bashful about placing the blame. He lays it right at the door of the White House, pointing out that some of the orders come directly from the President and the others are largely promulgated by the Commerce Department, which comes under his Administration. It is all part of what Mundt regards as the erroneous, and very foolish, Administration theory that the Soviet are "partners in peace." He says the recent Middle East outbreak shows the utter foolishness of this theory.

Just last month Mundt called attention to the fact that the Commerce Department had authorized shipment of a Worden gravimeter, an instrument that can be used to improve the accuracy of missiles. This authorization was, afterwards, canceled. He charges that all these shipments to the Soviet ease the burden on the Russian economy which is taxed to the limit, as he says, not to supply the needs of the Soviet people but to feed fresh fuel on the fires of crisis in the Middle East and Vietnam.

## CIVIL RIGHTS LEADERSHIP TAKES NEGROES DOWN ROAD TO DISASTER

Mr. LAUSCHE. Mr. President, I ask unanimous consent that an article published in a recent issue of the Cincinnati Enquirer be printed in the RECORD.

It raises a number of points which I believe will interest the readers of the CONGRESSIONAL RECORD.

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

PUT THE BLAME WHERE IT BELONGS: A LONG HARD LOOK AT THE LONG, HOT SUMMER

(NOTE.—George S. Schuyler, the Negro conservative, for years has been warning that the "civil rights" leadership of this country was taking the Negroes down the road to disaster. A newspaperman for half a century, he is the author of "Black No More" and "Black But Conservative.")

(By George S. Schuyler)

NEW YORK.—Race war is here, perhaps to stay; and while this will be denied, Negro leadership itself—including the so-called "moderates"—must share much of the blame for the smoking cities, the vandalism and the armed attacks by some young Negroes on the forces of law and order.

Passage of an antiriot bill will not much alter the situation because it would seem to be too little and too late. While curbing the subversive activities of some of the itinerant agitators, it will not curb the local incitement by the revolutionary cells already in being in cities large and small across the country.

Nothing seems to have been learned from the warnings through the years by informed observers of the gathering storms which were believed to be brewed by poverty, discrimination and, as they now say, "cultural deprivation." In this connection it is notable that these tragic uprisings rarely occurred anywhere prior to the onset 10 years ago of the campaign of agitation and incitement by Negro activists.

The vandalizing of our cities today is the product of 50 years of brainwashing. Many still refuse to recognize it. But millions of whites have fallen for the line that they are today, in 1967, responsible for the evils of slavery and for the "century of neglect" that followed it. The fact is that the "century of neglect" produced the, most prosperous, civilized and educated Negro community anywhere on the globe in history.

So successful was this line that even relatively recent immigrants from Poland, Italy or Ireland have been duped into feeling guilty for what some slave owners in the American South might have done a hundred years before they were born.

Similarly, Negro intellectuals have been brainwashed into thinking that the only reasons for Negro backwardness in America are those attributable to whites. The successful Negro has been downgraded as a self-seeking opportunist; the jobless, embittered, violence-prone Negro has been idealized as the true voice of his people.

Much as many Americans dislike hearing this, the Communist party has been the most consistent and effective manipulator of this line of thinking. It long ago painted a picture of American society—of greed, brutality, racism—that has been adopted wholeheartedly by many of the Negro leaders who, literally, are "calling the shots" in Detroit, Newark, Rochester and where next.

For several decades, Negro leadership in speeches, news releases, books and other writings have harped interminably on the faults of American society; the mistreatment of Negroes was exaggerated, handicaps were denounced and opportunities minimized. Where the Negro needed hopeful plans for the future and an optimistic strategy to achieve them, there was a continuous campaign of denigration, denunciation and pessimism. This was the last thing uprooted farm migrants of low education needed or wanted, when they flocked to our cities.

This was a challenge to Negro leadership which it has failed to meet in the massive proportions necessary. European immigrants had faced similar handicaps and hardships, and had overcome them in large part by organization and ingenuity, whereas the city Negroes set up their own color and caste lines, and sought to escape their less prepared peers; often not without some logic on their side. Every Negro urban community suffered social indigestion from consuming too many migrants in too short a period, and with not enough help from white neighbors who also fled the influx.

Under the circumstances, it is remarkable that the Negro population acquired so many skills, so much education and such an accumulation of wealth in so sort a time, but mostly through individual rather than community effort.

As of the present there are 320,000 Negro students matriculating in the nation's colleges and universities, with more than twice as many Negro students per 1000 of black population as there are proportionately students in Europe.

There are more than 2.5 million Negro-owned automotive vehicles, excluding automatic farm machinery, and an equal number of Negro-owned homes.

While the number of farmers, colored and white, declines yearly in the face of automation, there were at last counting 127,473 Negro farm owners, and a Negro farmer today without an automobile, truck, tractor, television set, electric refrigerator and, in some cases, cotton-picking machines, is rare. Nearly 100,000 Negro farmers constitute a fifth of all tobacco growers. There are twice as many Negro businesses as there were at the end of World War II.

It would seem to be reason for optimism and hope, but the prophets of doom shout louder than ever and, unfortunately, they have progressively either brainwashed the Negro upper class or have frightened them into silence. They have not really attempted to quarrel with or condemn the local and national Pied Pipers who are leading gangs of dropouts, juvenile delinquents and the criminally inclined "lumpenproletariat" astray.

They have almost uniformly taken up the chant of "police brutality" and screamed for civilian review boards to further handicap the police in using the necessary force to maintain law and order. They have refused to wholeheartedly condemn hoodlumism and those who led the street packs—for fear of being dubbed "Uncle Tom." And one seeks far and wide for a trade school any group of them have set up to teach young Negroes a skill which they can sell in the labor market. A conservative Negro with vision is denounced as an enemy of his people if he speaks up against the criminal trends in his community.

So this has given the agitator-activists full sway and no one has been tearing apart their vicious lies. There is always a holding-back for fear of appearing "anti-Negro."

These people are clever and conscienceless verbalists who would make it appear that the American Negro's future is hopeless whereas it is as hopeful as that of the whites if there are spokesmen to say so.

Every excuse and alibi possible has been made for Negro backwardness, shiftlessness and criminality, instead of facing up to the facts and telling the truth. The reaction of "intellectuals" to the widely-publicized Moynihan Report on the prevalence of the Negro matriarchal family was a case in point. They either condemned it out-of-hand or failed to defend it; yet how are you going to improve a situation unless you admit it exists?

Even so prominent a Negro official as Secretary of Housing and Urban Development Robert C. Weaver tells the Senate Housing subcommittee that riots "are inevitable consequences of scores of decades of neglect, discrimination and deprivation, and well-directed positive action can stop them." This is the now-familiar refrain which actually encourages riots because of the belief it engenders that improvements only come from street action. Certainly those Negroes are not "deprived" whose kitchens are stacked with the loot from neighborhood stores!

The agitators gather crowds by blaming the white man for all the Negroes' ills while the responsible Negro leadership either defends this falsehood, cravenly remains silent, or whimpers "we didn't really mean it" after the cities have burned to ashes.

## A DANGEROUS INTRUSION

Mr. CHURCH. Mr. President, one of the most tragic circumstances attending our current discussions of firearms control legislation has been the tendency of some to view Federal action in this area as an important method of dealing with crime. Those of us who object and who question are pictured as condoning or even encouraging criminal and demented elements in our society.

The danger in this approach lies not only in the fact that it can result in harmful legislation, because it also diverts our attention and that of the American people from proposals that can have a legitimate effect on law enforcement problems and on the conditions that cause crime.

In a statement this week to the Subcommittee on Juvenile Delinquency of the Committee on the Judiciary, the Senator from South Dakota [Mr. MCGOVERN] suggests a temperate balancing of the benefits that could be expected from

the Dodd bill and the Hruska bill, against the costs they would exact. Through what I consider to be an excellent, point-by-point analysis of what gun control crusaders can really promise, he concludes that it is "only conjecture to assert that S. 1 would have any appreciable effect toward a reduction in firearms misuse and serious crimes."

At the same time Senator McGovern points up the very real and serious damage this legislation would impose upon the millions of people who own and deal in firearms for highly worthwhile and beneficial purposes and upon our Nation as a whole. And he notes the folly of Federal action seeking to accomplish ends that fall within the primary powers of State and local governments, and of superimposing a broad national scheme of regulation over all States, ignoring fundamental differences in their needs and interests.

Senator McGovern has made a highly significant and timely contribution to the debate on firearms control legislation. I believe his statement merits the attention of all Members of the Congress. I ask unanimous consent that it be printed in the Record.

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

FIREARMS CONTROL LEGISLATION

(Statement of Senator George McGovern, Democrat of South Dakota, to the Senate Judiciary Subcommittee on Juvenile Delinquency)

Mr. Chairman, I very much appreciate this opportnuity to submit my views on legislation pending before the Subcommittee to tighten Federal regulations on firearms.

In view of a deep national concern over the annual growth in violent crimes, it is certainly natural and commendable that our attention is focused on every potential step the Congress is empowered to take to secure our streets and the homes and business places of the American people. The costs of crime in human suffering and anguish, in fear, and in many billions of dollars, are intolerable to all of us.

But caution in lawmaking is most needed when national concern and clamor for action is most extreme. At such times the temptation is great to arrive at a panacea—to demonstrate that something is being done, even though the cure-all may be inappropriate, ineffectual, or most costly than beneficial.

It seems to me that this principle should apply with special force when we are operating in an atmosphere of intense emotion, aroused by firearms in the hands of the criminal or the demented.

At the outset it is important to recognize the limitations on Federal power to deal directly with the vast majority of the crimes committed in this country.

The Congress can attack the social and economic causes of crime under its powers to tax and spend for the general welfare. The same authority undoubtedly also allows some assistance to local law enforcement, such as research, coordination and records-keeping, technical and financial help, and assistance in the recruitment and training of law enforcement officers. It is well-established that we can define, prohibit and prosecute violations of a limited class of "national crimes" such as those whose commission involves transportation across state lines, and that we can, under the commerce power, prohibit traffic among the states in harmful commodities that may facilitate crime.

But, as President Johnson stated in his message of February 6, 1967, transmitting his recommendations based upon the report of the National Crime Commission, "In our democracy, the principal responsibility for dealing with crime does not lie with the National Government, but with the States and local communities." It is clear that where the direct enforcement of State criminal codes and community ordinances are concerned, Federal power is limited indeed. Our traditions abound with the sound premise that the primary police power resides in the States.

I do not contend that the bills under consideration on firearms control, primarily S. 1, sponsored by Senator Dodd, and S. 1853, by Senator Hruska, violate this premise. I cite it as an illustration of the small result that any legitimate national legislation in this area can have, and of the importance of soundly-conceived and vigorously-enforced State regulation. Those who call for increased protection would do well to concentrate, too, on state legislatures and city councils where the fundamental power to deal with firearms and their misuse resides. As the Subcommittee knows, there is abundant room for improvement at that level. Federal action can only reach the periphery, and I am troubled by an apparent widespread feeling that if Congress will only approve the Administration's recommendations on firearms the whole problem will disappear.

But it seems to me that many more questions remain to be resolved before we can determine the prudence of exercising even the limited power we do have. A considered, temperate balancing of the costs against the beneficial effects that can be expected is required.

On the cost side of the ledger, and speaking specifically to the terms of Senator Dodd's bill, as modified by amendment number 90, we must consider the expense, the restrictions, the interference and the threatened penalties that would be imposed on the some 20 million people in this country who use firearms for lawful, proper, and beneficial purposes. We must consider the hardship and the danger of prosecutions the possibility of denied licenses to do business on vague, as yet undefined grounds, and the practical difficulties that would face thousands of legitimate firearms dealers. We must weigh, too, the potential loss from restricted hunting and sporting use of firearms of substantial contributions to wildlife management programs, financed through the purchase of hunting licenses and through allocated Federal excise taxes paid upon the sales of sporting arms and ammunition.

It cannot be denied that the ownership, control and use of firearms is beneficial. Hunting and shooting provide hundreds of millions of days of healthy recreation each year. Proper schooling in firearms handling and safety is an important means of building the character of American young people, and is a significant asset to prospective military training as well. Thousands of people own firearms for the protection and security of their persons, their families and their property.

The burdens that the Dodd bill would place on these uses admittedly seem insignificant when they are stacked up against the some 86,000 violent crimes it is estimated were committed with firearms in 1965. But it cannot be overemphasized that the proper balance is not between those burdens and an end to or even an extensive reduction in violent crimes. I have carefully examined the evidence compiled on both sides of the gun control issue, and the most prominent impression I have gained is that it is only conjecture to assert that S. 1 would have any appreciable effect toward a reduction in firearms misuse and in serious crimes.

The 1965 edition of the Uniform Crime Reports issued by FBI Director J. Edgar Hoover, for example, indicates that there were approximately 2,800,000 serious crimes reported in that twelve month period. Statistics on the use of firearms are available, however, in only three categories of violent crimes—killings, aggravated assaults and robberies. Of the total of 335,427 crimes in these classes that the FBI estimates were committed in 1965, 85,848 involved the use of firearms—roughtly 25 percent.

If reliable data were available on the total illegal use of firearms, of course, we would undoubtedly find that the percentage for the complete reported serious crime figure of 2,800,000 would be much, much lower. The three categories mentioned obviously involve a more extensive employment of firearms than other crimes.

But the question narrows still further in the present context, because there is an alternative to S. 1. The measure proposed by the Senator from Nebraska, Mr. Hruska, is less extensive than the bill sponsored by Senator Dodd, but it would establish effective procedures to restrict the interstate flow of handguns. Under S. 1853, over-the-counter sales to nonresidents of the State and mail order sales could not be completed until 7 days after the purchasers affidavit of age and qualification had been received or refused by a local law enforcement officer. In considering the relative merits of the two bills, therefore, it is necessary to determine how much would be gained by the further restrictions on rifles and shotguns proposed by S. 1.

Writing to Senator Hruska in regard to the FBI Uniform Crime Reports of 1965, Director Hoover estimated that handguns were used in 70 percent of the 5,634 willful killings in which firearms were employed. The other 4,216 homicides committed in that year did not involve firearms and are thus completely beyond the scope of this discussion. Mr. Hoover advised that there is no available breakdown on the type of firearms used in aggravated assaults and robberies, although he did indicate that "most" of the robberies were committed with handguns. Certainly that is a logical conclusion, since it is the handgun—because of its concealability—which lends itself most readily to crime.

Hence, it is clear that the added restrictions on rifles and shotguns that S. 1 would impose would, as compared to S. 1853, have additional relation to only a small fraction of the 86,000 violent crimes committed with firearms.

But the breakdown of the potential benefit of S. 1 goes even further, because it would clearly not prevent even all of that fraction of firearms misuse.

Many potential criminals would not be dissuaded by the fact that they could not obtain the weapon they might prefer. It seems likely, particularly with premeditated crimes, that they would merely choose another, more easily acquired device.

A number of offenders would have no greater difficulty obtaining firearms through regular channels than legitimate users. This would be particularly true of people with no prior record.

On the other hand, there can be no doubt that the professional criminal element would quickly establish its own underworld source of firearms supply, and would make more efficient use of the weapons already in its possession.

Many lawbreakers undoubtedly own or have access to the many millions of firearms that are already in private hands. Estimates of this figure run between 50 and 200 million, and the most generally-accepted amount is 100 million. These would continue to be replaced and purchased and sold privately.

I certainly cannot conclude that these factors would completely nullify any possible benefit of S. 1. They do, however, establish quite convincingly that Federal firearms legislation along the lines proposed here is

experimental. We simply do not know that it would have any appreciable effect on the crime problem which has this Nation so concerned.

Since the bill would have a harmful impact on the millions of people who own and deal in firearms for completely worthwhile purposes, the conjectural nature of any promise of benefit suggests to me that we should at least paint with a narrow brush rather than a broad one.

There are other considerations supporting this conclusion. A reliance on Federal controls, for example, presupposes a uniform national system of regulations, which cannot account for differences among the states in the relationship between proper, beneficial use and misuse of firearms. My own State of South Dakota, for example, would be damaged far more by stringent controls than would New York, because of the heavy recreational use our citizens and visitors make of firearms. We should be extremely cautious about superimposing a single set of requirements over all 50 states when their conditions vary so widely.

It is my firm belief that the proper approach for this time is to begin with a limited program, such as is proposed in S. 1853. That bill focuses its attention on the weapon which is clearly employed in the vast bulk of firearms misuse, the handgun. By limiting purchases to people over 21 years of age, it would also delineate that segment of the population that has the most disproportionate record of criminality involving firearms. By using state law as the standard of legality for mail-order sales of all firearms, it would allow each state to judge its own particular needs and interests, and would operate to supplement, rather than supersede, the primary responsibilities of the states in this area.

I urge the Subcommittee to reject the pervasive scheme of regulations proposed in S. 1 as modified by amendment 90, and to seriously consider the more realistic and justifiable approach encompassed in S. 1853.

At the same time it is my earnest hope that the Congress and the appropriate Committees will expedite consideration of the other means at our command to combat crime and its causes.

We know that environment and living conditions have a major direct bearing on the safety of our streets and on the security of our homes and property—far more than all of the firearms ever manufactured. There are numerous proposals before us to deal with these fundamental causes.

Where enforcement is concerned, President Johnson has transmitted to the Congress an extensive series of important ideas, based upon the recommendations of the National Crime Commission. These proposals deserve careful attention.

Regardless of what the Congress does in the rather narrow area of firearms, I do not believe we will have dealt with the appalling menace of crime in a fashion even approaching the concern it demands until we have moved vigorously in these basic areas.

## FIREARMS CONTROL

Mr. HRUSKA. Mr. President, during the course of the current hearings before the Subcommittee on Juvenile Delinquency on which I serve, we have had an opportunity to consider many fine statements with regard to the difficult question of proper Federal firearms control legislation. In reviewing this testimony I was particularly impressed with the statement of the senior Senator from Colorado [Mr. ALLOTT], who brings to any discussion of this issue a particular vantage point of familiarity with firearms and an abiding concern for their lawful use and control.

The Senator from Colorado takes the right approach, I believe, when he says:

> I do not believe the sledge hammer approach to Federal firearms control legislation strikes the balance which is so necessary at this crucial period of our national life.

The Senator counsels in the direction of "considerations of balance and suitability" with regard to the solution to the problem of Federal firearms control legislation, and I believe that this is the proper attitude which must permeate our consideration of the issue.

I ask unanimous consent that the remarks of the distinguished Senator from Colorado be printed in the RECORD.

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

### FIREARMS LEGISLATION

(Statement by Senator GORDON ALLOTT before Senate Subcommittee to Investigate Juvenile Delinquency, July 11, 1967)

Mr. Chairman, I greatly appreciate this opportunity to offer my comments with regard to the firearms control legislation now pending before this Senate Subcommittee to Investigate Juvenile Delinquency. I hope that my observations and thoughts on this important matter will serve the constructive purpose of casting some new light upon a subject which has been before this distinguished subcommittee for a long time.

At the outset, I would like to express my deep concern that this subject not be acted upon precipitously. The consideration of the Federal firearms control bills before this Subcommittee must, I believe, be governed by common sense with due regard for the exigencies of the criminal problem which confronts this Nation. The question of the relationship of firearms to the problem of crime in this country is a perplexing one. The rise of crime in the United States is a national disgrace. Every day, the problem of crime forcibly intrudes itself upon the national scene. Recently, the Washington Star carried an editorial describing two days of criminal activity in Washington. This editorial stated, in part:

"Monday evening . . . a police officer was forced to shoot two hoodlums who attacked him on a school playground. Around noon yesterday a bank messenger was shot to death in a robbery at 10th and P Streets, N.W. At about the same time, a young woman, Judith K. Robeson, who worked for Senator Carlson . . . was found brutally murdered in her apartment . . . All of this, of course, was over and above the daily 'routine' of crime."

There is great national concern today about the present status of laws—local, state and Federal—regarding the acquisition and possession of firearms, and whether these laws have somehow contributed to the criminal conditions which confront this country. Certainly that kind of concern is fanned to public outrage by editorials such as the one I have just quoted from the *Star*. Crime and guns somehow become synonomous in the public mind. But I think our legislative responsibility transcends this moment in which we find ourselves and seeks a complete examination of legislative avenues which might more effectively control the acquisition of certain firearms. I am pleased that this Subcommittee obviously intends to conduct such a thorough examination of this problem, the solution of which is obviously one of compelling national debate.

In this regard I would like to refer to a front page story in the May 22nd edition of the *Washington Post* concerning the relationship of local firearms control measures to the problem of crime in the District of Columbia. The *Post* points out that the Metropolitan Police Department issued fewer than 30 permits to carry guns in Washington from April of 1966 to April of 1967 despite the fact that during the same period 5,000 guns, most of which had been illegally obtained, had been confiscated by the police. Assistant Chief Howard V. Covell was quoted as saying that the police had confiscated guns during the same period in 934 cases involving persons without permits, and that during the same period of time 477 robberies had occurred in the District, 85% of which involved the use of guns.

It seems to me, therefore, that local laws requiring gun permits have not been entirely adequate to control the acquisition and possession of firearms. They have been equally ineffective in controlling the sources of guns for use in criminal activity. I do not believe we should enter the lists of Federal firearms legislation without due regard for this fact. To do otherwise is to deal in the same fallacious effort of Don Quixote tilting with windmills. Efforts should be made to encourage effective enforcement of local firearms control laws. Our present responsibility, however, is to be exceedingly careful that if new Federal laws are enacted they are reasonable and capable of effective enforcement.

We cannot allow ourselves the luxury of using a sledge hammer to drive a tack in the area of Federal firearms control measures.

This would be the consequence, I believe, of two of the bills now pending before this Subcommittee: S. 1, introduced by the distinguished chairman, and Amendment 90 to S. 1, introduced at the behest of the Administration. Public outcry over the rise of crime or the abuse of the possession of firearms by other than responsible citizens may create the climate for this kind of legislation, but the responsibility of creative legislation transcends the moment of public outrage and seeks honest, workable solutions to difficult problems.

In a recent column on this issue James Kilpatrick made a sound observation, I believe, when he said:

"Politics truly is the art of the possible. In the present state of seething controversy, it probably is not possible—in my own view it is not even desirable—to enact Dodd's sweeping bill. But with crime rates soaring, reasonably minded men should be able to agree upon some measure less drastic, and to write it promptly into law."

I think the better legislative course lies in the direction of S. 1853 and S. 1854, introduced by the distinguished Senator from Nebraska, a member of this Subcommittee.

Frankly, I cannot support legislation which deters ownership of certain firearms by responsible citizens. I feel this is the logical consequence of both S. 1 and Amendment 90 thereto. It is my impression that both of these measures fall short of their stated objectives to avoid imposing "any undue or unnecessary Federal restrictions or burdens on law-abiding citizens with respect to the acquisition, possession, or use of firearms appropriate to the purpose of hunting, trapshooting, target shooting, and personal protection." I am fearful that the legislation embodied in these two bills frustrates and impedes their laudable objectives.

The Administration's Amendment 90 prohibits the interstate mail order sale of all firearms through a ban on shipment and transportation to unlicensed individuals. S. 1 would prohibit the interstate mail order sale of handguns through a ban on shipment and transportation to unlicensed individuals, while regulating the interstate mail order sale of rifles and shotguns to unlicensed individuals. In its present form, Amendment 90 is almost completely unacceptable to me. I frankly find it unduly restrictive when it prohibits the interstate mail order sale of all firearms to unlicensed individuals. I firmly believe that such a bill would create unnec-

essary burdens for the law-abiding citizens. The safety of our citizens' Constitutional rights may well be endangered by using sledge hammers to drive the tack of providing temporary safety.

I am equally concerned with the provisions of S. 1 which seek to regulate the acquisition of rifles and shotguns. I do not believe the Congress should precipitously enact undue Federal regulations regarding these particular firearms since they are clearly the most appropriate for the purpose of hunting, trapshooting, or target shooting. It seems clear to me, Mr. Chairman, that if there is one area of our national life where the abuse of firearms is not prevalent it is among the 20 million Americans who use rifles and shotguns for these lawful purposes.

May I add that I do not believe any person intent on obtaining a rifle or shotgun for other than lawful purposes is going to be dissuaded from doing so under the regulatory provisions of S. 1. The burden will land squarely on the law-abiding citizen, while the person who wants a rifle or shotgun for unlawful purposes may do so with minor inconvenience.

I am in general accord with the approach taken by the Senator from Nebraska in his bill, S. 1853, which would apply Federal regulations upon the interstate mail order sale of handguns to unlicensed individuals. The thrust of this legislation is directed at the area where there has been the greatest abuse of firearms. Handguns have the unique characteristics of size, weight, compactness, and concealability. These characteristics make handguns ideally adaptable for the commission of crimes and violence. They are difficult to observe, and therefore difficult to control. Statistics bear out these facts of the unlawful and criminal use of handguns in crimes of violence. Many states have already recognized the problem of controlling the acquisition of handguns. A Federal law directed towards this same problem would, I believe, add creative and effective assistance to the states in this area.

Mr. Chairman, S 1853 deals in an area where the problem of the abuse of firearms is most clearly defined and documented. It would, I believe, also cause the least inconvenience to the greatest majority of our law-abiding citizens who desire a handgun for personal use. There is a reasonableness and a workability in the approach of S. 1853 which strikes me as being eminently sound. The problem of controlling the acquisition or possession of a handgun can be nailed down with the proper legislative tools provided by this bill.

Mr. Chairman, in pondering this issue I have always returned to considerations of balance and suitability. We are all aware that the rise of crime in the United States is sapping our national strength and eroding the public confidence. We do not need more statistics or a National Crime Commission to convince us further. The problem needs no further elucidation. But it desperately needs immediate steps toward eradication. I do not believe the sledge hammer approach to Federal firearms control legislation strikes the balance which is so necessary at this crucial period of our national life.

I for one am ready at any time to vote for a reasonable bill with a legitimate contribution to make to the solution of the problem of the abuse of firearms. I am ready to give prompt attention and study to any such measure submitted. The Dodd-Administration bills do not, in my opinion, fall into this category. They are bills which reflect the fear and antagonism of people who have little or no acquaintance with guns and are consequently suspicious of those who do.

Mr. Chairman, firearms are familiar items to me. They are not things which belong to an alien and hostile world. They constitute a part of my life and that of my sons. When I agreed to sponsor S. 14 in 1965. I did so because I wanted to see an end to the irresponsible practices of certain mail order gun dealers. But I was, and remain, stringently opposed to curbs so severe that they place unwarranted burdens on the law-abiding citizens, and go far beyond what is necessary or what, under a true Federal system, is possible.

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## THE PRESIDENT'S REORGANIZATION PLAN WILL BRING MODERN AND EFFICIENT CITY GOVERNMENT TO THE DISTRICT OF COLUMBIA

Mr. BYRD of West Virginia. Mr. President, this is a week of vital decision for the 800,000 residents of the District of Columbia. For on Wednesday Reorganization Plan No. 3 will be considered by the House.

Normally, I favor positive action by the legislative branch in dealing with legislative matters, and I normally do not favor the reorganization plan approach inasmuch as I view this as a back door method, or legislation by negation. In other words, the reorganization plan approach requires negative action on the part of the Congress in order to prevent a submitted plan from becoming a fait accompli. I do not say this in criticism of the President's Reorganization Plan No. 3 nor do I say it in criticism of any other reorganization plan which the President may submit. I say it in criticism of the legislative branch itself, because I do not believe that the executive branch should be given the authority to legislate and, in effect, this is precisely what it all amounts to. The Chief Executive sends up a reorganization plan and, if one House of the Congress does not veto that plan within a certain period of time, the plan ipso facto becomes law. In my judgment this is the legislative process in reverse. I think that only the Congress should legislate, and I think that this type of legislative procedure is a matter which should be given future serious study and reflection by the legislative branch with a view toward corrective action.

What I have just said, is only expressed incidentally at this point. With regard to Reorganization Plan No. 3, I strongly support this plan because it unifies authority and responsibility for the management of the District of Columbia government in a single strong executive. It offers the city leadership in city hall where leadership is needed and demanded.

I have a great interest in the District of Columbia. As chairman of the District of Columbia Appropriations Subcommittee, I know the frustrations which the commission form of government has placed in the way of the dedicated men who have served in its harness. I believe that Plan No. 3 will remove this hobble now. It should, at least, be tried. In speaking out in support of the plan, however, I wish to state that I do not pretend to state the views of the members of the committee with legislative responsibility for the District. I speak from my own experience and for myself alone.

The President has provided the framework for a modern city government that will surely be more effective in handling the burdens and problems of the District than the present commission form of government has been.

Plan No. 3 establishes clear-cut executive authority and flexible governmental machinery in administering the affairs of the District.

Let me emphasize: This is not home rule. And this is not an alternative to home rule. I am opposed to home rule for the District of Columbia, as I have said many times. Home rule is not at issue here.

The only issue involved in considering this plan is whether or not the 90th Congress will bring modern, efficient government to the District of Columbia.

The President has proposed a single Commissioner to replace the present three-man Board of Commissioners. This Commissioner—to be chosen from outstanding candidates from all over the country—will be responsible for administration of the executive side of the District of Columbia government, supervision of personnel, preparation of the budget and organization of the lower structure to most efficiently carry out the laws of the Congress.

A nine-member Council—similar to city councils in most urban communities—will be responsible for making rules and regulations where Congress has delegated such authority and for revising the Commissioner's budget and proposing revisions.

The Commissioner would be empowered to veto actions of the Council. His veto could in turn be overridden by three-fourths vote of the Council.

Congress necessarily would retain its present responsibilities to make all the laws for the District and to determine the District's budget and appropriations.

I believe this plan spells needed progress for the District. It is long overdue. The need for reorganization of the local government has been recognized by virtually everyone who has studied the issue. The hearings in the Senate and in the House show that the plan has broad support.

The President has rightly noted that the present form of District of Columbia government was designed almost a century ago. It is obvious that the city government cannot meet its responsibilities without an overhaul of its machinery.

The pressing need for strengthening of the municipal government will not, I know, blind the Congress to the necessity to act additionally to provide for District representation in the House of Representatives. Congress is the legislature for the District.

I strongly support legislation to give the District representation in the other body. Its adoption would give the citizens a ready means of communication to the Congress and, in turn, would give the Congress a direct voice to the citizens.

The 90th Congress has a unique opportunity to make a dramatic breakthrough in bringing modern government to the District. We must live up to this opportunity—and make it a reality.

This is an hour of decision for Washington. Let the Congress make it a good hour by supporting Reorganization Plan No. 3.

## NATIONAL JAYCEES SAFE-DRIVING PROGRAM

Mr. BIBLE. Mr. President, auto safety is something most of us talk considerably about but few of us actively do very little about. But the U.S. Junior Chamber of Commerce since 1952 has been doing something about it through its nationwide teenage safe driving auto roadeo.

This year marked the 16th year of this program in which 3 million youngsters have participated on local, State, and national levels. For example, in 1967 more than 250,000 teenagers in over 2,000 communities took part in this safe driving competition under the National Jaycees' sponsorship, assisted by the Lincoln-Mercury division of Ford Motor Co.

My State of Nevada has a particularly keen interest in this most commendable effort this year because, for the first time, a Nevada youth, 17-year-old Bill Cobb, the son of a veteran Reno newspaperman, Ty Cobb, won top national honors 1 week ago in competition at the University of Michigan in Anne Arbor, Mich., with 50 other young men from every State of the Union.

This week I had the pleasure of having lunch here in the Capitol with this fine Nevada young man; the national winner of the girls' competition, Miss Anne Kaminski, of Omaha; the distinguished senior Senator from Nebraska [Mr. HRUSKA]; and sponsoring representatives of the competition from the National Jaycees. Each winner receives a $4,000 college scholarship to the school of their choice.

To talk with this young man and this young woman, one gets unmistakably the message that safe driving is more than something just to talk about. They advised me that this competition provided youngsters of driving age an opportunity to demonstrate to themselves and to their communities that they are interested in increasing their knowledge of our traffic laws and in improving their driving skills. They assured me also that the roadeo stimulates community interest in high school driver education programs.

In talking with these young people, I became more aware of the great number of irresponsible drivers as well as the tremendous number of violators of traffic laws present today on our streets and highways. This country's traffic fatalities skyrocketed from 38,000 killed in 1959 to 53,000 in 1966. Injuries last year alone were estimated at almost 2 million persons. The cost in dollars is estimated at almost $10 billion.

Mr. President, I wish to pay high tribute to the U.S. Jaycees and to give deserved recognition to its teenage safe driving program. I wish particularly that the Jaycees National President James B. Antell, of Tulsa, Okla., and Nevada State Jaycee President Bill Waltz, of Elko, could have been with us at lunch here this week. They would know much more graphically than I can hope to portray the impact of his outstanding program on two fine representatives of young America. To every Jaycee member in my State of Nevada and elsewhere around the country, please accept personal congratulations for an outstanding community program for national benefit where results are so outwardly obvious.

Mr. President, I ask unanimous consent that the Jaycees' announcement of the 1967 Safe Driving Roadeo winners, giving a brief description of the leading contestants, be printed in the RECORD.

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

U.S. JAYCEES TEENAGE SAFE DRIVING ROADEO WINNERS ANNOUNCED

Anne Marie Kaminski, 18 of Omaha, Nebraska and William George Cobb 17 of Reno, Nevada have been named first place winners in the 16th annual United States Jaycees Teenage Safe Driving Roadeo at the University of Michigan in Ann Arbor scene of the national safe driving event co-sponsored by the Lincoln Mercury Division. Each won a $4,000 college scholarship to the school of their choice.

51 Boy finalists and 51 Girl finalists from the 50 States and the District of Columbia had taken part in a series of tough safe driving tests beginning Monday July 31 to determine the best teenage safe drivers in the nation and the chance to share a total of $14,000 in college scholarships.

Sharon Ann Redman of DeBary Florida and Robert Carver, of Yuma Arizona earned second place honors each receiving a $2,000 college scholarship. (Sharon is 17 and Bob 18)

Patrick Webb, 17 of Forest Lake Minnesota and Linda Gail Branstetter of Roanoke, Virginia took third place and were each awarded $1,000 prizes. (Linda is 17.)

1st Place co-winner Anne Kaminski the daughter of Mr. and Mrs. M. N. Kaminski of 91818 Pine street in Omaha graduated in the top third of her class and plans to attend Creighton College in the fall. The treasurer of her local Junior Achievement club, Anne was also active as a debater and participated in a number of sports. She plans to major in chemistry.

Co-1st Place winner Bill Cobb is the son of Mr. and Mrs. Tyrus R. Cobb of 320 Martin ave. in Reno Nevada. He is an all around athlete and a top scholastic student. He is listed in the "Who's Who of High School Students in America". A commencement speaker at his graduation, Cobb has earned a number of prizes for public speaking and has acted in a number of school plays. He is employed by the Nevada Highway Department on a part time basis. He plans to enter the University of Nevada where he will major in business administration.

Co-2nd place winner Sharon Redman is the daughter of Mr. and Mrs. C. E. Redman of 32 Vohusia Drive in DeBary Florida. She plans to major in education in college.

Co-2nd place winner Bob Carver is the son of Mrs. Violet Carver of Yuma Arizona. He plans to become a chemical engineer.

Co-3d Place winner Linda Branstetter is the daughter of Mr. and Mrs. Bruce F. Branstetter of Roanoke Virginia. She will take up law in college.

Co-3d place winner Pat Webb is the son of Mr. and Mrs. Irving N. Webb of Forest Lake Minnesota. He will take up electrical engineering in college.

In addition to their college scholarships the 1st, 2nd and 3d place Roadeo winners will all have the use of 1968 Mercury Cougars for a full year and will act as Teenage Traffic Safety Spokesmen for Lincoln Mercury during the coming year.

During their three days of testing in Ann Arbor, each of the 102 Boy and Girl State Finalists completed a rugged series of exams including a written test on the rules of the road and on attitude; a personal interview; a complex skill test to determine their ability to handle an automobile (parallel parking between narrow barricades, maneuvering their car thru a tight curve between two rows of rubber balls; and making sharp right and left turns in between S-curve lined wooden barricades.) and a road test in Ann Arbor traffic.

The finalists also heard a number of lectures during the week from the University of Michigan Traffic Safety Center.

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## AMERICA'S MOBILE HOME INDUSTRY—NEW CHALLENGES AND OPPORTUNITIES

Mr. PERCY. Mr. President, one of the important areas for progress in making homeownership available to lower income families is that of improved design and construction to attain lower unit costs.

Among those pioneering new techniques for low-cost housing construction are the many manufacturers of mobile homes in the United States. Today that industry is, according to their estimates, producing 75 percent of all new housing priced below $12,500, and these units are fully furnished, unlike the average new house. I am told that the average price for a 12- by 60-foot mobile home, completely furnished, today runs around $5,700.

The industry is now moving far beyond making what used to be called "trailers." Imaginative new uses of modular unit construction are being devised. These are no longer mobile homes, in the sense of being pulled along a highway. These are modern home units, with great flexibility. They could even be stacked up to resemble the much-discussed Habitat Building featured at the Montreal Exposition.

Mr. Edward L. Wilson, managing director of the Mobile Homes Manufacturers Association in Chicago, recently made some remarks about the advances being made by his industry in providing better housing. I ask unanimous consent that his remarks be printed in the RECORD.

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

AMERICA'S MOBILE HOME INDUSTRY—NEW CHALLENGE AND OPPORTUNITIES

(Remarks by Edward L. Wilson, managing director, Mobile Homes Manufacturing Association, Chicago, Ill.)

In reviewing the great need for low-cost housing for low income families, we must necessarily take a long and serious look at the mobile home industry. Following World War Two, this industry moved beyond the so-called trailer field. It developed into a relocatable housing unit which has now virtually taken over the low-cost housing field. Today the industry is providing 75% of all housing under $12,000. These units are fully furnished, not empty buildings. Last year one out of every 5 single family non-farm dwellings was a mobile home.

Mobile homes, as they are currently produced for the market, average from $3,000 to $12,000. The current average retail price is about $5,700 for a completely furnished 12′ by 60′ unit. These homes, however, are adaptable and the industry is increasingly entering the field of sectionalized houses. In other words, the unit may be 12′ by 60′, or two-10 foot wide units locked together forming a house 20 by 60′, or two-12 foot units forming a house 24 by 60′.

They can be stacked as high as three units

to form u-shaped components. The mobile home today is not the trailer of years past. In many areas it is a status symbol. It is of modern design, technical construction built to specific standards on a production line. There is a national code for plumbing, heating and electrical equipment and installations. By next January a national code covering performance standards will go into operation, which will be more than many of the nation's building codes.

The advantage of the mobile home type of construction lies in the fact that it can be varied in design, and thus can be very pleasing to the eye. It can move into an urban or rural area and create a social pattern that is superior to many of the low-cost housing patterns which have been designed today. The park concept that has been developed by the mobile home industry lets people live in pleasant park surrounding. This park surrounding might be slightly higher in density than some of the privately owned parks, but a man can still own his own home in a grassy or wooded area or in a townhouse. He can have recreational areas and all at the lowest possible cost. Such a development can greatly benefit the community and more important, it can be most beneficial to the mental attitude of the individual home owner.

The industry currently is experimenting in many new so-called housing systems. For instance, it is very easy to take two 12-foot wide or 10-foot wide by 60' mobile homes and so construct their walls and roofs that one is placed upon a footing and the second is placed on top of the first. This could be one leg of the u-shaped townhouse. The rear side of the structure could have four such units. These units could be furnished or unfurnished as the buyers might desire.

The industry presently has 40,000 to 50,000 direct employees in mobile home plants in virtually every state of the Union excluding Alaska and Hawaii. There are also hundreds of thousands of employees in the plants supplying component parts to the ultimate assembly plants.

How long will a mobile home last? The industry gives the answer that the mobile home will last just as long as aluminum and steel. The average mobile home has more steel beams in its construction than the average thirty to forty thousand dollar residence. It is usually sheathed in aluminum, although it might be sheathed in some other metal or processed wood. It has been customary to line the walls with plywood, and the mobile home owner seems to desire this.

One of the great advantages the mobile home industry offers in the field of low-cost housing, is not only the price, but the delivery. Today a housewife may wait weeks or months for delivery on a piece of furniture. One can go out and buy a completely decorator designed, furnished mobile home and move in tomorrow if he so wishes. This same well-developed home building technology can be applied in a larger scope to meet many of the Nation's low-cost housing needs.

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## CIVILIAN EMPLOYMENT IN THE ARMED FORCES

Mrs. SMITH. Mr. President, the editor of the Journal of the Armed Forces has made a very revealing analysis of how the Secretary of Defense has failed to produce resultant economies in civilian employment within the armed services but instead during his tenure has added more than 200,000 civilians to the payroll and has almost tripled the number of "supergrade" positions in the Defense Establishment.

The Defense Department commented on his first article on this subject when it stated to the House Armed Services Committee:

> Rather than increasing the size of the Defense establishment we have already achieved overall manpower savings within the appropriations category, "Operation and Maintenance, Defense Agencies" . . . we have saved several thousand spaces through consolidations as a result of the establishment of Defense Agencies.

The journal editor, Louis R. Stockstill, points out in his second article that even though the Secretary of Defense has shifted about 73,000 civilians from the services to the Defense agencies and related Department of Defense activities, he has produced no resultant economies in civilian employment within the services. Today, all four services have more civilians than they had before the Secretary of Defense initiated the shifts.

We need more journalism like this. It took a little of digging into many, many budget accounts on a body-by-body basis to get at the true and significant facts in this matter.

Because of the great importance of this matter, I invite the attention, study, and consideration by all Members of this body to "The Big DOD Buildup—Part II," written by Louis R. Stockstill, and published in the August 5, 1967, issue of the Journal of the Armed Forces. I ask unanimous consent that it be printed in the RECORD.

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

### THE BIG DOD BUILDUP—PART II

(By Louis Stockstill)

Top brass civilians within the Defense Department have mushroomed like an atomic cloud during the tenure of Secretary Robert S. McNamara.

In the six and one-half years he has been in office, the powerful Defense chief has added more than 200,000 civilians to the payroll and has almost tripled the number of "super grade"—GS-16, -17 and -18—positions in the defense establishment.

Civilian payroll costs within the Department currently are projected to be about $2.3-billion higher in fiscal '68 than they were in the final Eisenhower budget submitted to Congress when Secretary McNamara took office.

Salaries for the "super grades"—an elite force which has zoomed from 359 in fiscal '62 to 931 in fiscal '68—also have risen sharply. In pay grade GS-18, alone, the increase amounts to as much as $7,400 per year.

In addition to the three "super grades," the Defense Department, like other Government agencies, also has two other categories of top-paying jobs—"executive level" posts and "special positions" created by the Secretary.

Today, in the three categories, the Defense Department has one top-salaried position for each 800 permanent civilian employees.

By contrast, the military forces have approximately 2,600 uniformed personnel for each flag or general officer.

An earlier Journal survey (6 May) spotlighted the growth in the number of civilians who come under the "direct control" of Secretary McNamara. The article pointed out that when the Secretary first entered the Pentagon, he had about 1500 civilian employees in his own office and in DoD activities he controlled (apart from the individual Services), and that he has since expanded this number into a work force of 67,000. In addition, funds to pay some 7,000 other civilians are included in the FY '68 budget for DoD.

These 74,000 civilian employees (chart, page 9) include only those in the "DoD" portion of the budget. Civilian employees in the Army, Navy, Air Force and Marine Corps are budgeted separately.

Data on each group—DoD, Army, Navy, Air Force and Marine Corps—is not collected under these five headings, however, but is spread out in each category over a number of activities.

For example, the Navy civilian personnel budget figures (chart, page 8) are strung across 13 separate budget accounts. Those for DoD are covered in six accounts.

To provide a simplified picture of the civilian payroll throughout the Defense establishment. The Journal has collated the data as it applies to each of the Services and to DoD, proper. No such simplified presentation of the statistics is available to the House and Senate appropriation subcommittees which must approve or disapprove funds requested for the civilian payroll. These funds, for FY '68, add up to more than $8 billion, and cover 1.2 million permanent civilian employees as well as enormous numbers of temporary and part-time workers and foreign nationals employed overseas.

For "overtime and holiday" pay, alone, DoD has budgeted $318 million for its civilian work force in the current fiscal year. The biggest portion of these funds ($165 million) will go to Navy workers. Army employees will get about $96 million of the overtime and holiday pay; $44 million is budgeted for the Air Force; $9.6 million will go to DoD employees and $3.2 million to employees of the Marine Corps.

In the overall Defense Department budget as it applies it civilian "personnel compensation," there are two main categories. One covers employees assigned to "military" activities; the other covers a much smaller number of employees who are assigned to "civil" activities such as administration of the Ryukyus, Panama Canal Zone activities, the Army Civil Engineer program, etc.

The detailed analysis given here is concerned solely with permanent civilian employees assigned to "military" programs in the FY '68 budget. All comparisons of fiscal 1968 data with earlier data are limited to the "civilian personnel compensation—military" budget accounts.

Employees who work in the immediate office of the Secretary of Defense, or in the offices of his Deputy, or the Assistant Secretaries of Defense, the JCS, the Defense Agencies, Defense RDT&E, etc—all of whom are budgeted within the Defense Department, proper—are pulled together in this analysis and in the accompanying charts under the broad category of "DoD civilians."

Similarly, employees in the various Army activities are lumped under the single heading of "Army employees." The same applies to Navy employees, Air Force employees and Marine Corps employees.

Where "Defense-wide" employees are mentioned, all five groupings are covered: DoD, Army, Navy, AF and Marines.

This distinction is essential inasmuch as a high-ranking Defense Department official who was questioned on Capitol Hill about the earlier Journal article on "The Big DoD Build-Up" denied that the report was accurate. He said OSD does not have 67,000 civilian workers. He was correct only in the sense that he confined his disclaimer to OSD. However, OSD is merely the hub of the much larger DoD civilian payroll, which is separate and distinct from the payrolls of the Army, Navy, Air Force and Marine Corps. The Journal article was addressed to "DoD," not just "OSD."

Not only does Secretary McNamara personally control the 67,000 employees who fall within the DoD offices and the Defense Agen-

cies, but as this article already has noted, he controls an additional 7,000 civilian workers in the DoD research program and other DoD budget accounts.

Although vast numbers of the employees assigned to the DoD Agencies originally were transferred to DoD from the Services, overall civilian employment throughout the Defense establishment has been expanded rather than diminished.

When Secretary McNamara took office, he inherited from the Eisenhower Administration a total civilian work force of about 1,008,000 people—Defense-wide. Of these, only 327 were "super grade" employees. Another 359 fell into the "executive level" or "special position" groups at the top of the pay scale.

DEFENSE DEPARTMENT CIVILIAN PAYROLL,[1] FISCAL YEAR 1968

| | Total, civilian compensation | Number of permanent civilian positions | Increase in personnel since 1966 |
|---|---|---|---|
| Department of Defense | $600,000,000 | 74,145 | 5,249 |
| Army | 2,900,000,000 | 429,289 | 59,071 |
| Navy | 2,300,000,000 | 386,689 | 49,601 |
| Air Force | 2,200,000,000 | 324,592 | 23,230 |
| Marine Corps | 113,000,000 | 21,654 | 3,899 |
| Total | 8,100,000,000 | 1,236,369 | 141,050 |

[1] Does not include "civil" activities such as maintenance of cemeteries, administration of the Ryukyus, Panama Canal Zone activities, Army Civil Engineers, Soldier's Home, or wildlife conservation, which account for an additional 50,000 employees earning $382,000,000.

However, DoD employees constituted only a small fragment of the 1,008,000 total. They added up to 1492, plus 95 in the Advance Research Projects Agency and about 200 assigned to the military assistance program. At the time, DoD "super grade" employees numbered 105, plus 9 in ARPA. The other top-level DoD jobs numbered 52, plus 13 in ARPA.

Today, Defense-wide, the civilian work force totals more than 1,200,000, including 931 "super grade" employees and 612 other top-paying positions.

Of this number, 74,000 are assigned to DoD, including 294 in the supergrades and 113 in other executive-level or special-positions.

The figures disclose that DoD today has almost as many super-grade employees as existed Defense-wide when Secretary McNamara took office, and that the total number of civilian employees under his immediate control has mounted astronomically.

In clustering larger and larger numbers of civilians under his own control, Secretary McNamara has, at the same time, added heavier layers of civilian employees in each of the Services. Consolidation of former Service functions into "Defense Agency" functions did not result in reduced forces for the Services. In fact, the Armed Forces ended up with more civilians than they had to start with and with an overall total which is higher than the Defense-wide total on 1962.

Today, the Army, Navy, Air Force and Marine Corps have 1,162,224 permanent civilian employees. In 1962 they had 1,013,680. Numerically, the biggest increase has occurred in the Army; proportionately, the Marines have experienced the largest growth.

In round figures, in 1962, the Army had 353,000 civilians, the Navy 338,000, the Air Force 306,000 and the Marines 16,000. Today, the army total is 429,000, the Navy 386,000, the Air Force 324,000 and the Marines 21,000.

In the super-grades in 1962, the four Services had 215 employees. Today, the number of employees in grades GS-16, -17, -18 adds up to 637 (chart, page 32). In pay grades GS-16, alone, the Navy today has more employees than the number in all super-grades in all four Services six and one-half years ago.

The numbers are even more significant in light of two additional factors: (1) Pay for the super-grades today ranges—in round figures—from a low of $20,000 to a high of $26,000, and (2) the number of employees in the top grade—GS-18—has been almost doubled. Pay for a GS-18 in 1962 was $18,500 and the four Services had only 13 civilians in this grade at the time. Today, the Air Force has 9, the Navy 7 and the Army 6.

Growth in the GS-16 rating has been most marked, however. In 1962, the four Services employed only 150 civilians in this grade. Today, they have 548 GS-16 employees—or almost four times as many. The present pay range for this group is $20,075 to $25,435.

The big build-up of civilian employees within DoD and the Services is paralleled by publication of heftier and heftier Pentagon telephone directories. The earlier JOURNAL article pointed out that the DoD yellow-page section of the directory (which lists mostly executive employees) covered three and one-half pages when Secretary McNamara took office, but had grown to 10½ pages with issuance of the "Spring 1967" telephone book.

The Directory is still growing. The new, "Summer 1967" issue is now off the press and the number of DoD yellow pages has again been expanded—by about 70 listings. Similarly, the total size of the "yellow" section (including all DoD and Service listings) increased from 124 pages in the "spring" 1967 issue to 158 pages in the "summer" 1967 issue.

In the six and one-half years he has been in office, Secretary McNamara has added 200,000 permanent civilian employees to the Defense-wide organization and has brought 74,000 of these employees under his direct control.

He has increased the number of DoD super-grade and executive positions from 179 to 407, and has similarly boosted the number of top-pay civilian posts in the four Services from 529 to more than 1,136.

Payroll costs for the overall civilian work force have mounted by about $2.3-billion.

AT THE TOP OF THE HEAP

More than 1500 employees are assigned to top civilian jobs within the Defense Department and the Departments of the Army, Navy and Air Force in the fiscal '68 budget.

Those occupying the senior civilian positions are employees in the so called "super grades" (GS-16, GS-17 and GS-18); those in Executive Levels I through V; and those in "special" positions created under Public Law 313.

The biggest group of top-salaried civilians is employed by the Navy (See page 8.) Second place goes to civilian employees who are under the "direct control" of the Secretary of Defense.

Among the four Services, the Navy also is well out in front in all but one category of civilian employment, and is far ahead in the number of employees with GS-16 ratings. In the GS-16 group (top salary, $25,435), the Navy has more employees than the Army and Air Force, combined.

The Air Force holds a slight service-lead in the GS-18 category, and outdistances the Army in all but the lowest of the high-paid groups.

The combined total of top civilian positions in DoD and the four Services add up to 1,542 super- and super-super-grade jobs within an overall civilian work force of about 1,200,000. The statistics do not include civilians employed in "civil" DoD functions—such as the administration of the Ryukyus—or the super-grade jobs held by such employees. The latter group are carried in separate accounts in the budget documents from civilian employees charged to the "military" programs of the Defense Department. If included in the overall total, the "civil" function civilians would boost the total DoD employment and the total number of super-grade jobs.

Here is a complete picture of the top-paying civilian jobs budgeted for each of the Services in fiscal '68 (under "personnel compensation—military"), together with those under the "direct control" of Secretary of Defense McNamara:

| | GS-16 | GS-17 | GS-18 | Others[1] | Total |
|---|---|---|---|---|---|
| Department of Defense | 179 | 78 | 37 | 113 | 407 |
| Army | 142 | 17 | 6 | 140 | 305 |
| Navy | 276 | 25 | 7 | 214 | 522 |
| Air Force | 130 | 23 | 9 | 144 | 306 |
| Marine Corps | 0 | 2 | 0 | 1 | 3 |
| Total | 727 | 145 | 59 | 612 | 1,543 |

[1] Includes Secretaries, Deputy and Under Secretaries, Assistant Secretaries, all executive level I through V employees and "special" positions created by Public Law 313.

## NECESSITY FOR AMERICAN AID TO FOREIGN AGRICULTURE

Mr. LONG of Missouri. Mr. President, to meet the world food crisis there can be no question that immediate and full action is necessary. I am convinced that the key point around which our agricultural aid must be built is a sound and effective technical assistance program. To achieve this goal I believe there must be a step-up in the number of U.S. farm experts sent to help combat starvation in less developed countries.

The recently issued report by the President's Science Advisory Committee on the world food problem points out that between 1965 and 1985 the food needs of the world will increase by 52 percent. The real problem in this steep increase becomes clear when it is seen that the food needs of India, Pakistan, and Brazil will increase by 108 percent, 146 percent, and 104 percent respectively. These are examples of nations where food is already lacking.

With the added burden of the next 20 years the situations in these underdeveloped nations will be highly critical unless some great advance is made in the world food supply. The only way this increase can come about is through the use of expert knowledge.

The United States is today the world's leading agricultural nation primarily because of its great technical and inventive abilities. To be sure, our Nation has been blessed with bounteous resources and a climate suitable for the growing of many different crops. Through the use of research and technology we have been able to improve the agricultural output from these resources by amazing amounts.

Because of our knowledge and capabilities, it is time that the United States took a firm and effective lead in the assault on the world food problem. We must continue to give aid in the form of food when needed. But we must also use the same technological training which was so successful in the United States and apply it to the underdeveloped nations. By this I do not mean that we must supply these nations only with the results of our technical know-how, with such things as modern farm implements, machines, and fertilizers. We must also send experts in great numbers who can apply and adapt our knowledge to the situations in each country. Our experts must go to the countries, study the problems of each, and devise solutions which can cure local food problems. Of course all

this will take time. This is the reason a good technical aid program must be instituted now.

A look at the land supplies of underdeveloped nations shows just how critical it is that U.S. technology be applied now. In Asia for example, there is for all intents and purposes no surplus arable land at this time. This means that it is literally impossible to increase Asian food production by means other than that through technology. The only way in which production can be increased is through the development of methods of farming which would increase the yield per acre and also would permit an increase in the number of plantings per year.

In other underdeveloped areas, while there often is land available for an expansion of farming acreage, the climates are almost invariably greatly different from that in the United States. Again it is the need for our knowledge as specifically applied to each situation which is required and not just the sending of our products and American methods. Our farm experts have proved they can grapple with the kinds of problems facing less developed countries. Let us set up a program where these experts can do their work best.

The idea of using experts abroad certainly is not new. We now have as part of our food program a plan for sending experts abroad. I am proud to report that in my own State the University of Missouri has long been actively involved in programs of agricultural assistance to India. Since 1957 the university has worked wtih agricultural colleges in northeast India. There are now eight Missouri experts in India as well as 17 Indians presently being trained at the University's College of Agriculture in Columbia.

Under a new program the University of Missouri has placed a five-man team in Orissa. They are beginning a 2-year effort which will strengthen the link between state research facilities and the Orissa Department of Agriculture.

The results of these programs have been dramatic. The programs have been very popular with the Indian people. These projects prove how effective agricultural assistance can be. My desire is to have a great many more experts sent and also to have the entire program of sending experts reviewed and improved.

At this time I have doubts that the United States is able to send a sufficient number of these trained personnel to meet the needs of increased food production. The President's Science Advisory Committee stated that the Agency for International Development has not been able to provide for the current need for experts.

The opinion of the committee was that such departments as Agriculture and Health, Education, and Welfare have been more successful in acquiring experts for the needs of these departments. These departments are involved in our foreign aid programs. Their methods and know-how should be applied to help secure experts.

I regret to report that today France has more experts than the United States serving in developing nations. In 1965 France had 44,529 experts compared to 21,153 for the United States. Of course France is to be commended for doing this work so successfully. However, there is no reason why the United States is not supplying many more experts than we are now sending. The United States is spending more on its food program than is France. The supplying and supporting of experts takes really only a small part of our food program costs. Also the work by U.S. experts is much more consistent and continuous than that of France since our experts work within a total planned program whereas many French experts are really on their own almost as volunteers, thus causing a lack of a totally integrated program such as we have.

It seems quite clear our experts are generally better trained than the French. But still the fact remains that there are many more French people out doing something very constructive toward solving the world food problem than there are Americans.

This is even more significant when viewed against the policies of France and the United States toward the food problem. France's view is fatalistic. France feels that in the long run there just will not be enough food, but that in the meantime France will do what she can to delay this fatal day.

Here in the United States we know that we can conquer the food shortage problem and we are totally committed to doing just that. Still, we are not the leading nation in terms of experts on the scene.

If the United States is to take the lead in helping to solve world food problems we must insure that our experts are effectively sent to the underdeveloped nations of the world. The departments of government which are involved in this problem should work together in gathering experts and in formulating policies.

With the great and rapid increase in food needs predicted for the next two decades, our program of technical assistance must be improved now.

I was pleased to see that the just released report of the National Advisory Commission of Food and Fiber, of which Mr. Fred V. Heinkel, of Columbia, Mo., was a member, supports my position on this food issue.

Mr. President, the statement by the Commission is as follows:

> The main weapon in the war on hunger, then, must be technical and research assistance in agricultural development and population control. The seriousness of the problem has convinced the Commission that the U.S. technical assistance effort must be much larger than it has been in the past.
>
> Direct food aid from the United States and other developed countries has played an important role in alleviating hunger during times of food shortage. Food aid will undoubtedly continue to be necessary and important to assist developing countries with their critical problems of hunger and in situations when food is an indispensable tool in short-range development. However, it should be fully coordinated with long-run technical assistance programs, and administered with a hardheaded insistence on maximum self-help.

I am today asking the Administrator of the Agency for International Development for a full report on how we can improve our program of sending agricultural experts abroad. I am also requesting from the Administrator and the Secretary of Agriculture any suggestions they may have for legislation, if any, which would be necessary for an expanded farm expert program.

I would far rather send American farm experts to less developed countries today than wait until millions starve to death. We have learned through our tremendous extension system that proper conservation and crop programs can greatly increase farm production.

We have also learned that by attacking starvation today, we can stop the conditions in which communism breeds. I would far rather send American farm experts today than American soldiers tomorrow.

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## TENNESSEE MUNICIPAL LEAGUE PRAISED FOR ENDORSEMENT OF REVENUE SHARING

Mr. BAKER. Mr. President, delegates to the annual conference of the Tennessee Municipal League, convened in Memphis June 11 through 13, endorsed a perceptive policy statement and a series of specific recommendations concerning the relationship between the National Government and the cities.

Because its membership is drawn from the leaders of virtually all the municipalities in Tennessee, the league is one of the most influential organizations in our State. It is especially important that the Senate be aware of the league at a time when several of our Nation's cities have experienced grave internal disorders and when Congress is searching for more imaginative and effective methods of aid for both our large metropolitan areas and smaller cities.

I am especially pleased that the league's first specific recommendation is that Congress enact a plan for sharing Federal revenues with local governments. I have long advocated a system of revenue sharing as the cornerstone of the efforts our Nation must initiate to revitalize our financially pressed State and local governments. Those of us in Congress who are working hard to secure the enactment of such legislation are tremendously encouraged by this new show of support.

I was privileged to be invited to address the league's conference. Unfortunately, I could not attend because the Senate was considering the resolution relative to the censure of Senator DODD. The leadership had instructed us, and I thoroughly agreed, that our first duty during that period was to remain on the Senate floor for all of the debate.

Nevertheless, because of the importance of the league's meeting, I sent my legislative assistant, Lamar Alexander, to represent me personally at the conference and to read the address which I had prepared for delivery.

I ask unanimous consent that the league's general policy statement, its specific recommendation concerning revenue sharing and my address to the league on the subject of revenue sharing be included in the RECORD.

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

TENNESSEE MUNICIPAL POLICY—PART I: FEDERAL PROGRAM, 1967

The Tennessee Municipal League, meeting in annual conference in Memphis June 11–13, 1967, expresses its grave concern over the apparent slackening of the federal government commitment to the urgent public service needs of urban communities of all sizes.

This is a particularly disquieting trend in a nation confronted with the task of rebuilding, in effect, all of urban America in the remainder of this century due to population growth and accelerating urbanization.

We reaffirm our support of federal-city partnership programs which meet public needs that are more than local in scope and which are operated with a maximum degree of local self-determination.

A proper division of tax and revenue sources among levels of government is essential to a balanced program of public services.

The federal and state governments, with their superior taxing powers and authority over local governments, must not neglect their obligation to strengthen local financial capabilities through grants-in-aid and shared taxes.

We call for elimination of unnecessary bureaucratic conflicts involving programs affecting municipal government. A strong effort should be made to simplify or consolidate the more than 140 different grant programs affecting municipal governments. We urgently recommend that the federal grant and loan programs affecting urban development be channelled through the local general governments which are directly responsible and accountable to their citizens—regardless of whether this development occurs inside or outside municipal boundaries.

We endorse the National Municipal Policy adopted by the 1966 Congress of Cities, at which our League was represented on all policy-forming Committees.

We make the following specific recommendations on urban legislation now before the Congress of critical importance to Tennessee municipalities:

1. Federal revenue sharing with cities. Congress should enact a plan for sharing directly with municipalities in Tennessee and across the nation at least 40 per cent of the increase in federal revenues at present tax rates. Such federal revenues should be divided among municipalities on a straight per capita formula, using reasonably current population data, while continuing and increasing federal grants-in-aid to support service programs in areas of critical need.

Similar federal tax sharing should be developed for state, county, and other general government units.

The National League of Cities, the National Association of Counties, the U.S. Governors Conference, and other organizations of state and local officials should develop a comprehensive plan and a coordinated effort in order that commitments for such a program can be considered in the Presidential and Congressional elections of 1968.

Tennessee municipalities share fully in the staggering $262 billion gap in municipal income over the next 10 years reported in a study conducted for the National League of Cities. This report finds that such a 40 per cent municipal share of federal revenue *increases* from *present tax rates* would rise from $1 billion the first year to $26 billion in the tenth year, for a 10-year total of $125 billion.

The principal method by which the inescapably limited tax resources of local governments have been reinforced with state funds in Tennessee and other states has been the earmarking and sharing with local governments of a portion of state tax sources. Tennessee municipalities receive shares of the state sales, gasoline, beer, and all income taxes.

A share of federal tax revenues, as well as state, can be safely entrusted to democratically-organized municipal governments without undue bureaucratic controls. The continuance of categorical grant-in-aid programs and the expansion of the concept of the "workable program for community improvement," initiated by the Federal Housing Act of 1954, will insure adequate standards of performance.

Present federal funds for urban needs are pitifully inadequate and suffer from the uncertainties of funding by numerous Congressional Committees with jurisdiction over authorizations and appropriations for more than 140 existing grant-in-aid programs for urban areas. Only a substantial and dependable commitment of federal tax dollars will alleviate the conditions of urban social and physical blight and rapid population expansion and physical growth.

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ADDRESS OF SENATOR HOWARD H. BAKER, JR., PREPARED FOR DELIVERY AT THE ANNUAL CONFERENCE OF THE TENNESSEE MUNICIPAL LEAGUE IN MEMPHIS, TENN., JUNE 13, 1967

Perhaps the most rewarding aspect of my two ten-month campaigns for the United States Senate was the opportunity to come to know in a first-hand way so many of the men and the women who wrestle daily with the burgeoning responsibilities of local government. I am therefore particularly delighted today to discuss with the Tennessee Municipal League what I believe is the most urgent domestic problem confronting our republic today. My concern is the growing threat to our traditional system of federalism which has produced the maximum good for the maximum number with maximum responsiveness in government over the entire history of this Nation. The federal system as we know it consists of an effective partnership of governing authority between the central Government on the one hand and the State and local units on the other. The net effect has been a unique recognition and implementation of the problem solving tools and techniques required by the many diverse areas, groups, and interests within our population. I believe that the future welfare of this country to a high degree interrelates with our ability to preserve in its most effective form this system of partnership government.

In the course of the last several years, we have witnessed the increased concentration of effective governing authority in the central Government and a decreasing ability of the States, the counties and the city governments throughout the Nation to cope successfully with the seemingly limitless problems which confront them. The shape and dimensions of this dilemma are not outlined by some vague, sinister plot to destroy the partnership of governing authority, in my judgment. Rather the dilemma has resulted in response to the time-honored axiom that the taxing power is the governing power, and the central Government, since the advent of the graduated Federal income tax, has had most of the taxing power. An increasingly mobile population, a complex economy, and an informed and sensitive public have combined to create demands on government at every level that are manifold and compelling. As the matrix of local governmental units are unable to fulfill the legitimate demands and aspirations of their constituencies because of an inadequate tax base and ineffective fiscal tools, vacuums of service and responsibility are filled by the central Government. This has been the direction of the movement of responsibility in the Federal partnership over the past four decades.

The burden of these remarks is not an appeal to some academic concept or states rights, sovereignty, or independence, nor calculated to be in derogation of the absolute requirement for a vital strong, effective, and imaginative central government, but rather is a plea for the reinvigoration and revitalization of the authority of the state and local governments so that they may undertake and discharge their governing responsibilities at the same time.

There is no easy answer to this problem. In my view there is no single device which will reverse the trend toward absolute concentration of governmental authority in Washington. But there is a concomitant requirement that we make the effort to shift the direction, and at least begin the return to partnership stability.

I believe that the single best device for beginning this new direction in federalism is enactment of legislation by the Congress that would provide for the sharing with State and local governments of a portion of the tax revenues received by the United States. Because of this conviction, I chose Federal revenue sharing as the topic of my maiden address to the United States Senate, and, on that occasion, March 9, 1967, introduced with the co-sponsorship of fifteen of my Republican colleagues, a measure designed to permit an immediate beginning of sharing Federal revenues with the States on a no-strings-attached basis.

Since that time I have continued to use every available forum to encourage acceptance of revenue-sharing, and my political party has taken the initiative in urging its early adoption. Yet I do not, and I think the Republican Party should not, claim credit or partisan advantage for this exciting new approach to more effective and more responsive government. Walter Heller, the chairman of President Kennedy's council of economic advisers, began to popularize the concept in the early 1960's. And if we really want to trace the idea back to its roots, we must credit a famous Tennessee Democrat with initiating the first revenue sharing proposal. The national administration of President Andrew Jackson distributed to each State a share of the Federal budget surplus in excess of five million dollars, with each State's share being based upon its representation in Congress.

Today the concept of revenue sharing is being literally overwhelmed with new support. The National Governors Conference and the National Chamber of Commerce have endorsed the idea. Public opinion polls show that 70 percent of the American people favor it. This public sentiment has been reflected in this session of Congress where more than 80 different revenue-sharing proposals have been introduced from both sides of the aisle. And in our own State of Tennessee, the Hawkins County quarterly court, the Knoxville city council, and the joint caucus of the Republican State legislators, among others, have endorsed our particular proposal.

I am sorry to report that despite such wide bipartisan support from all levels of government and the private sector, the national administration stands as a deliberate and effective roadblock to any consideration of this idea in this session of Congress.

But I do not think that the public will tolerate such negativism for long. And I, for one, intend to continue encouraging the bringing of pressure upon this administration so that we can at least get serious consideration of revenue-sharing.

Despite the fact that there are more than 80 revenue-sharing proposals, I have found that there is virtually no disagreement among the authors about objectives, and very little disagreement about particulars. Therefore, I think it may be useful to briefly outline the major components of my proposal in order to give you a more specific understanding of what Federal revenue-sharing entails.

First, there is the question of how the revenue-sharing program will be financed. My bill provides initially for return of one per cent of the net federal revenues, after first deducting the cost of national debt service and national defense. This formula would have made about $500 million available for distribution in fiscal 1966.

Not only will tax-sharing funds be gen-

erated annually by the percentum formula just described, but Congress may also in its discretion make additional appropriations to the fund from time to time. I recognize that no rigid mathematical formula for state and local participation in federal revenue collections can truly reflect the financial needs and be consistent with fiscal policies of every given moment in the continuing process of government.

Secondly, the bill provides for a three-part formula to determine each state's share of available monies from the trust fund. The three elements are: first, population—to express an approximation of the theoretical total need of a given state: second, the average per capita income; a factor which expresses the need of poorer states for a larger ratable share of the funds; and third, the initiative of the state expressed in terms of a ratio of the per capita taxing effort of a given state in relation to the average taxing effort of all other states, to prevent a state from asserting less than its best effort to provide revenues for its own requirements. This would avoid the possibility that the states and cities would in fact become chattel wards of the central government. The net result of the application of this three-part formula to available revenues would provide some premium to the states having greater fiscal need and some slight premium to those states exercising their best efforts to provide for their own requirements. Correspondingly, the formula penalizes those states which do not make conscientious efforts to generate their own tax revenues.

Third, the bill provides for a council on tax sharing to be composed of five governors, two mayors and five representatives of the public at large, who will be charged with the administration of the program. Although the council on tax sharing is charged with the implementation of the provisions of this act, it is without authority to interfere, direct, coerce, or otherwise modify the rights of the States to apply their own best judgments to the solving of their own special problems. The cost of administering the program is virtually nil and the return of Federal revenues will be almost 100 percent.

I recognize and commend the proposition that Federal revenue sharing is a bold new direction in the total governmental concept of this republic. But I feel the urgency of the threat requires the substantial nature of the proposal. Nevertheless, tax sharing does not imply the emasculation of efficient national authority and the destruction of independent national effort. It does not imply the abolition of the existing concepts of the various Federal grant-in-aid and matching fund and other type Federal programs, but rather is calculated to supply a new and different tool to meet the exigencies of the present moment and the challenges of the future. Increasingly, in the years to come, the effect of Federal revenue sharing and the attendant revitalization of local governmental effort will relieve the demands on the national treasury for domestic and administrative intervention. At the same time there will always continue to be matters of national importance which require the direct action and coordination of the central Government to carry out these national purposes. Hence, I view tax sharing as simply another part of the total governing process, working in tandem and in parallel with existing governmental concepts together to produce more economical, more responsive, and more effective government.

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## SENATOR PERCY ADDRESSES LIEUTENANT GOVERNORS

Mr. BAKER. Mr. President, the junior Senator from Illinois [Mr. PERCY] recently made an impressive contribution to the debate about how our Nation's federal system of government should be structured to meet most effectively the challenges of the 1960's and 1970's.

In an address to the National Conference of Lieutenant Governors in San Francisco on July 15, Senator PERCY eloquently argued for the need for innovative approaches in federalism that will strengthen our State and local governments.

He pointed out that the President's announced aim of quadrupling Federal aid to States and cities—without altering our present maze of strictly defined and strictly regulated grants-in-aid—could "signal the end of our system of Federal, State, and local government as our founders envisioned it, and as we know it."

I am especially pleased that the Senator, who is a cosponsor of Federal revenue-sharing legislation which I introduced in the Senate on March 9, suggests revenue sharing as an important method of revitalizing State and local governments.

Last week I attended hearings on revenue sharing conducted by the Fiscal Policy Subcommittee of the Joint Economic Committee, of which Senator PERCY is a member.

I was impressed by the testimony of Joseph Pechman, director of economic studies at the Brookings Institution, who summed up his support of revenue sharing in this way:

> Revenue sharing expresses the traditional faith most of us have in pluralism and decentralization, diversity, innovation and experimentation. For those who lack that faith—for died-in-the-wool Hamiltonians and those who want the States to wither away—there can be little attraction in revenue-sharing or other instruments relying heavily on State-local discretion and decision.

The debate between the centralists and the federalists is rapidly becoming our society's basic domestic controversy. For the federalism debate is not about what to do, or whether to do it, but rather how to do it most effectively. I believe that the burgeoning social problems of this new generation require a governing partnership that includes State and local governments as vital and healthy partners with a strong national government.

Senator PERCY, I think, is also a firm supporter of this belief, and I ask unanimous consent that his excellent remarks elaborating these ideas be printed in the RECORD.

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

ADDRESS BY SENATOR CHARLES H. PERCY TO THE NATIONAL CONFERENCE OF LIEUTENANT GOVERNORS, JULY 15, 1967, SAN FRANCISCO, CALIF.

In recent years, many thoughtful Americans have recognized a change in the flow of power and responsibility in this country. Although our Constitution was carefully drafted to prevent a concentration of power in the national government, that is precisely where most of the power lies today. The tide has been running out on state, local and individual involvement in the decision-making process. This is a regrettable trend, but I think it is also understandable.

For industrialization and the exploding urban population have placed enormous pressures on state and local government. In many instances, states have been unwilling to fulfill their responsibilities, and their citizens have had nowhere to turn but to Washington. But more typically, the financial resources of the states have simply not been adequate to meet all the growing needs of the people.

Certainly you have tried to pay your own way. States and localities have increased their budgets to twice the level of federal domestic expenditures, and still it is not enough. State employees have doubled over the past 13 years so that now they number three times the federal government's civilian employees. And yet the states and the cities continue to face a crisis. Despite property taxes, sales taxes, income taxes, the sad fact is that state and local debts stand at well over $90 billion today.

Increasingly, the states—and more recently, the cities—have looked to the federal government for a way out of this financial quagmire. The federal response has often been dramatic; in fact, it sometimes seems to have overwhelmed state government.

In 1920, the federal grant-in-aid program was only $30 million. In the fiscal year just ended, it climbed to $15 *billion*. And the President now forecasts that in five years it will go to $60 billion.

He has said:

"What we are living through together are the birth pangs of a fundamentally new process in American government—a new kind of a Federalism—Federal-State interaction never contemplated by the Founding Fathers."

What we have to ask ourselves is whether a new federalism is really desirable. To me, "federal-state interaction" sounds like a sugar-coated way of acknowledging that state government will increasingly find itself at the mercy of the federal establishment. If escalating grants-in-aid mean a still greater accumulation of authority in the national bureaucracy, if it means priorities are set through national not local criteria, then I think we should take a long, hard look before abandoning the federalism of our forefathers.

For indeed the President's plan to quadruple the grants-in-aid program *could* signal the end of our system of federal, state and local government as our founders envisioned it and as we know it. The plan would all but establish a governmental monopoly in Washington. State and local governments could be reduced to stepping to the tunes played by federal administrators who dole out the money.

It is not so much that massive federal funds are flowing to state and local governments. It is that those funds are always conditioned upon compliance with federal dictates on what is to be done, and how it is to be done. This categorical federal aid encourages a degree of federal administrative control which I find disturbing, dangerous, and degrading.

I do not suggest that less should be spent on public services. The question is who should make the decisions: government closest to the people or a faceless federal bureaucracy in Washington?

While the flow of federal funds to local governments must be maintained, I believe we should wean ourselves away from the categorical federal grant programs rather than becoming increasingly dependent upon them. Federal funds should be more broadly allocated with the decision as to exact expenditures left to the recipient governments. This of course would impose upon state government still greater responsibility to be both sensitive and sensible in confronting problems of their people. The states cannot afford to lag in such areas as civil rights and poverty.

Another means of reinvigorating state and local government lies in a program of federal revenue sharing.

I see no reason why we shouldn't try to have both the efficiencies of centralized taxation *and* the advantages of decentralized expenditures. Several of us have cosponsored tax-sharing legislation in the present session of Congress, and I hope each of you will urge your Congressional delegations to support this type of legislation this year. This should not be a partisan matter. It deserves the support of everyone interested in progressive and innovative government on the state and local level.

I believe the most progressive thing government can do today is to act as a catalyst on the private sector. An alliance for progress here at home between the public and private sectors could revolutionize problem-solving in this country.

For just as I believe that state government can do many things better than federal government, so I believe the private sector can do many things better than the public sector. I am convinced that there exists in America a pool of talent waiting to be tapped. The superb response of young America to the Peace Corps is merely an indication of what our citizens can do and want to do when given guidance and incentive. The entire private sector of our society is ready and willing to tackle problems that sometimes confound those of us in government, but government must show the way.

It must instruct and it must encourage with tangible incentives. It must emphasize support rather than control. If it will do these things, the private sector in many instances will do the job with less money and more effectively. Our national policy must be reoriented to generate the maximum involvement of the private sector.

Let me give you two specific examples of how I believe the private sector can succeed where government has wholly or partially failed.

Substandard housing is a font from which springs many of our most serious national concerns, including disease and crime. It is in the enlightened self-interest of all Americans to eliminate this shameful condition wherever it exists in this, the world's most affluent nation.

But in recent years housing has not been a sufficiently high priority item on the agenda of government. The federal government has stuck to the tired formula of urban renewal, and the result has been the sorry situation with which so many of you are familiar. Some federal programs in the field of housing, including programs initiated by the Congress, have merit, but I believe the present focus in urban areas is wrong.

I would like to see government promote home ownership for low-income families now deprived of this opportunity because of conditions beyond their control. The ownership of one's own home lends the individual hope, dignity, and a sense of civic responsibility. It gives him the chance to have something and to be somebody. Yet the government programs that have been directed toward this goal have been aimed at those who enjoy middle or upper income status. Those who might well profit most from home ownership have been ignored.

Housing is an area conducive to solution by the private sector encouraged and backed up by government.

This is not a partisan conviction. Meeting in Honolulu last month, the U.S. Conference of Mayors—the overwhelming majority of whom were Democrats—unanimously adopted a resolution calling for increased participation on the part of the private sector in providing home ownership opportunities for poor families.

In the Senate, Abraham Ribicoff, Robert Kennedy, Jacob Javits and I are each introducing legislation to encourage private sector involvement in fields once considered the monopoly of government. In the House, Democratic Congresswoman Leonor Sullivan introduced such legislation—now embodied in law—and Republican Congressman William Widnall has been joined by 110 colleagues in cosponsoring a bill identical to my own legislation in the Senate.

Thirty-nine Senators of both parties have cosponsored this legislaiton to establish a private nonprofit National Home Ownership Foundation. Its purpose would be to mobilize the enormous resources of the nongovernmental sector behind a national effort to expand home ownership opportunities for all Americans. The prime function of government in this program would be to stand behind the Foundation's bonds, just as the federal government today stands behind every FHA and VA insured mortgage, or as it stands behind private investments in low-income housing in Latin America. I hope you will study this bill, not only for whatever merit it may have in the housing field, but for the concept of public-private cooperation which it embodies.

Another urgent challenge which is highly adaptable to solution within the private sector is that of training our unskilled and unemployed. Indeed, I believe that this task can *only* be effectively accomplished in this manner. But again, a necessary ingredient is tangible government encouragement.

If a sense of public spirit is not enough to inspire employers to train the unemployed, their frustration in not being able to find people to fill available jobs is. That these jobs are going begging can be verified by even a casual glance at the help-wanted ads in any newspaper. All that is needed is that employers be provided a way to make job training economically feasible, and, conversely, that they not be penalized for their efforts. I think a program of tax credits, such as that provided by the Human Investment Act now before Congress, would help enormously.

I have mentioned only two of the ways that the private sector can be put to work on some of our most pressing national problems. There are countless other opportunities for action in this area, and not all of them need be initiated by Washington. I would hope that many of you would explore this concept carefully. In fact, Lieutenant Governors are in a unique position to provide leadership along these lines, as has been demonstrated so well by Robert Finch here in California. In every state, there must be projects which the private sector would welcome, given some guidance and assistance by the State House.

What I am calling for will require a change of direction in the American way of meeting its domestic problems, as it has evolved over the past 35 years. But I think it is time we recognized that government—both federal and state—has fallen far short of its goals in many areas, and that the private sector could be doing many things better than we are. It is not our nuclear arsenal that is the envy of the world; it is our free enterprise system. That system has done much to make America great. Now let's put it to work in those areas where America falls far short of greatness.

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## ADDRESS BY GEORGE MEANY BEFORE RCIA CONVENTION

Mr. NELSON. Mr. President, at the recent convention of the Retail Clerks International Association, George Meany delivered an excellent and provocative address.

Organized labor has been in the forefront in promoting domestic progress during the past decades. George Meany has displayed important leadership on behalf of America's workingman throughout his distinguished career.

The problems facing America and organized labor are just as severe and critical today as they were in the 1930's. The struggle of the Negro for equality of opportunity, the needs of the elderly and the sick, and the crisis of poverty are all pressing issues in the America of the 1960's.

In his speech before the RCIA, Mr. Meany addressed himself to all these important questions.

I ask unanimous consent that Mr. Meany's speech be printed in the RECORD.

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

ADDRESS BY AFL–CIO PRESIDENT GEORGE MEANY, JULY 17, 1967, MIAMI BEACH, 25TH CONVENTION OF THE RETAIL CLERKS INTERNATIONAL ASSOCIATION

President Suffridge, delegates to the 25th Convention of the RCIA, and friends of this great organization: I am delighted to come here this morning. I extend to you greetings and congratulations on the continuing progress of your great trade union which has made such an outstanding contribution over the past 80 years to the welfare and interest of the people you represent.

I would like in particular to congratulate you on the continuous progress which is indicated in the officers' reports presented to this convention. The report tells of the progress made since you met four years ago. Better contracts, better wages, better working conditions, progress in the field of collective bargaining and legislative activities and political action, international work, community activities, the organizing of new members are all set forth there. I also note, through the report of your president, that the membership of this organization has reached the highest level in its 80-year history and I would like to say that organizing the unorganized is still a prime responsibility and prime task of those who organize. Samuel Gompers, over his long career, used to wind up practically every address he made to trade unionists by repeating the word "organize, organize, organize." Organize not only to bring benefits to those who have failed to receive the benefits of the trade union instrumentalities by bringing them into the trade union, but organize for benefits in the way of higher standards and better wages. Also, through organizing the achievements and the progress that has been made on behalf of those who are already members of the trade union movement are protected.

It is a fundamental truism that the unorganized worker, the low-paid worker, is a menace to the high standards achieved by those who are organized.

However, progress cannot be measured by new members alone. All the trade unions in this country must remember that we are dedicated to the advancement of the American society as a whole and we must always be conscious of that obligation.

Our purpose is quite simple—to advance the wages and working conditions of those we represent. However, in this great American society we cannot operate in a vacuum—we are a part and parcel of the United States of America and of the Dominion of Canada. We cannot advance as a group apart, at the expense of the rest of society. No one segment can profit very long and advance very long at the expense of the rest of the people. So, in a certain sense, we have a sort of slogan—we say that what is good for America is also good for American labor.

That is why you have a national trade union center. That is what the AFL–CIO is all about. The Retail Clerks can take very good care of themselves, and your organization has proven that it can take care of its problems. In fact, it would be almost silly for me to discuss any of the problems of the Clerks. They are in very good hands, as I am

sure you realize after listening to the address of President Suffridge.

However, the central coordinating organization of trade unions, which in this country is the AFL–CIO, must do the over-all job. And I can report to you that the AFL–CIO is doing its job and that it was never better suited to continue to do that job.

Just let me give you a few examples of the type of work that the central organization is called upon to do and has done in the years since you last met.

In the broad field of human welfare we have a medicare bill which attacks problems of old age—sickness, and the need for hospitalization and doctor's care, and it brings these problems under Social Security. This sort of legislation makes sense. It means that the worker, during his working years, makes provisions for the economic effects of catastrophic illnesses that might strike him when he gets old. This law benefits every citizen in this country—the sons and daughters of the old, the nieces and nephews who are here and who have had the economic problem of caring for older relatives when illness strikes, people who are retired, people who have perhaps sufficient means to take care of themselves under normal conditions on their retirement incomes but who cannot possibly cope with the course of a severe illness which too often strikes our older people.

This particular bill would not have been passed without the efforts of the AFL–CIO. Not only did we organize our trade union forces in back of this legislation, but we also made a contribution by playing a very prominent part in organizing the various senior citizens organizations throughout the country so that they could make this a political issue and bring to bear their weight and their influence on the Congress. The passage of medicare by itself would make the last two sessions of the Congress under President Johnson stand out.

However, in addition, as President Suffridge mentioned, we increased the minimum wage. We brought eight million new people under that law last February. This is a law which doesn't directly affect our members—there are no members of the Retail Clerks International Association who received a direct benefit through the raising of the minimum wage. Under our trade union organization our members are well off, well above the legal minimum. But it did bring into the marketplace as consumers millions of people who did not have the purchasing power that they should have and in this way the law brought an advantage to all the people of America. In the final analysis, America's best customer is the American worker, and workers below the subsistence level represent a drag on the economy and, in a sense, represent a drag on all of the citizens.

Therefore, it is in the interest of all of us to bring these millions of people into our economic life in the year 1967.

Then we have the educational bills, which represented a real breakthrough. In my opinion, history will record these as the finest achievements of President Johnson's Administration. Here, for the first time, the federal government accepts the responsibility for the education of all the children of America. We are rapidly approaching the day, and I hope that we will see it soon, when each and every child in America will be able to look forward to a college education, if he or she can assimilate a college education, without regard to the economic circumstances in the home where these children come from. So this is something that benefits all of the people of America and this also has an AFL–CIO label on it.

Then we have the Civil Rights Acts of 1964 and 1965. Of course, I want to make it clear that we still have a long way to go in this field—a long way to go before we bring the Negro into the economy in the way he should be brought in.

I would like to think of American labor's legislative activities, and of the AFL–CIO, as a people's lobby. Labor has a long record of fighting for things that benefit all the people of America—workmen's compensation, unemployment insurance, medicare, Social Security, better housing. All of these things benefit all the people of America, and all of them have the label of the trade union movement upon them.

Now, let's look for a moment to the future. What are we trying to do in the legislative field?

Well, right at the moment, we are trying to bring Social Security benefits up-to-date so that they can keep pace with the rising economy of this country.

We are trying to bring farm labor into a position where they have the same rights as other workers in this great country. There was a time when farmers were exempt from beneficial legislation because we thought of farmers as man and wife and a couple of hired hands—a family farm. Therefore, they were exempt from workmen's compensation and all of the other legislative advances. Farm workers are not under the National Labor Relations Act—they don't have the same right of collective bargaining as you have. But, on the other hand, the family farmer now is gone. We now have something that we might call a farm factory where thousands of people are employed by gigantic corporations supplying the foodstuffs for America. We have got to bring these people into line with the rest of the industrial population. We have to get them their rights so that they can bargain collectively—so that they can organize and have the right to strike.

These are some of the things that we are facing.

I submit that trade unions, through their collective action, have made wonderful contributions over the years to the advancement of the welfare of all the people of the country.

After a seven-year-fight, we passed a bill a couple of days ago known as the Truth-in-Lending Bill. Now, it is a very simple subject, and the fellow who led the fight for this for a good many years in the United States Senate was Paul Douglas.

What is the purpose of the bill? It is very simple—when you buy something on credit, when you borrow some money, when you place a mortgage on our home, when you get credit of any type, the corporation or person extending the credit must tell you exactly how much you are paying for the loan and the lending of the money. You would think that this would be simple, but, honestly, let me tell you that the great corporations of America have opposed this and have fought it tooth and nail. The bill finally passed the Senate the other day and, of course, we now have to go to the House. However, the purpose, as I said, is quite simple—when you borrow money, when you buy something on credit, the piece of paper you sign will show exactly and in plain figures how much interest you are paying. For example, people sometimes think they are paying six percent when in fact they are sometimes paying as high as 17 or 18 percent.

The fight for this bill is being made by labor. Labor is the one organization that is equipped and dedicated to fighting for this type of legislation.

And I want to bring up another subject in which labor has got to take the lead.

The cost of medicine in this country and the cost of medical attention and doctors is getting to the point where it is becoming a national scandal. It is getting to the point where there are very, very few people who can afford to be sick. We are told by the drug manufacturers that there is a hidden cost in all drugs, that it goes into research and so on and so forth.

You go into a drug store and you buy a bottle of pills. Twenty years ago you bought the same thing without a prescription for maybe 15 cents, but now you get 100 pills for $6.00—or something like that. I happen to buy some of those pills, so I know.

But I can tell you that this fight has to be made, that the cost of staying healthy and of buying medicine and getting medical attention must be brought down to reasonable limits, and the only organization, the only organized group in this country with the power and the dedication that can bring this about is the organized trade union movement. If we don't do it, it will not be done, and I predict that we are going to lead this fight and that this particular scandal is going to be eliminated.

Now, I could take a lot more time to talk about our activities, and there are many activities of the AFL–CIO. But I want at this time just to say a few words about your president.

It would be redundant for me to talk about what he has accomplished for retail clerks. But you know, he does a lot of other things.

He is a member of the AFL–CIO Executive Council. Of course, you are all familiar with that, but this is only a small part of it.

He is active in the international field. He is a member of the Executive Board of the International Confederation of Free Trade Unions. He is president of what we call the White Collar Secretariat, the International Federation of Commercial, Clerical and Technical Employees. He is a member of the board of trustees of the American Institute for Free Labor Development, an educational institution which the AFL–CIO founded for the education of trade unionists in Latin America. He is a member of the President's Advisory Committee to AID. But let me digress from Jim Suffridge for a moment and say a word about this international work of the AFL–CIO that he takes part in and a great many of our organizations are active in.

You might say, "Well, why?" As some of our critics have said, "Why? Why is labor interested in what happens in Latin America, what happens in Africa, what happens in Asia, what happens to workers in Europe, and other parts of the world? Why are we interested? Why are the Retail Clerks a member of an international trade secretariat?"

Well, we are interested in, number one, workers all over the world. We are interested in their welfare. We have this, let's say, sentimental interest, but we have a very practical interest in addition.

We are interested in human freedom. We have a stake in human freedom in this world of ours.

The world has become a very, very small place due to the speed of transport and of communications, and when any group of workers lose their freedom in any part of the world this is a menace in the long run to the continuance of our freedom here at home.

We believe in a free society. We have used the trade union instrumentality in a free society in order to advance the welfare and interest of those we represent, and that is why we are interested in workers in other parts of the world because, in the final analysis, the hallmark of a free society is the free trade union.

Where there is a free trade union, there is no dictatorship. And where any dictatorship exists there cannot be any free trade union, because no one can dictate to any country anywhere in the world without controlling the means of production. This is why every dictatorship in history that we know about has controlled the workers. That is why the Soviets destroyed the Soviet trade unions when they took over in October 1917. That is why Hitler destroyed the German trade un-

ions when he took over in 1933. That is why Mussolini destroyed the unions of Italy. This is the story. We are interested in the preservation of free unions all over the world because we are interested in the preservation of free societies. The existence of a slave state, we feel, is a threat to our existence, our continued existence as a free society.

So I congratulate Jim Suffridge on his vision and on the dedication that he brings to the international field. In addition, of course, there are many public and private committees that Jim works on that are too numerous to mention. To all of these assignments he brings the same dedicated devotion and hard labor that he does to the affairs of the Retail Clerks International Association.

So I am delighted to be present to pay tribute to him, to congratulate this great organization on its continued progress with full confidence in its future and full confidence of its continuing contribution to the work of the American trade unions represented by the AFL-CIO.

Thank you very much.

## THE UNREAL WORLD OF TELEVISION NEWS

Mr. LAUSCHE. Mr. President, I invite attention to an interesting article entitled "The Unreal World of Television News," written by Henry Fairlie, a condensation of which appeared in the August 1967 issue of the Reader's Digest.

The article examines the distortions in the news that are the result of television reporting.

Television not only creates news, as newspapers have done for generations, contends Mr. Fairlie, television creates its own events. For example:

> There is a vital margin of difference between saying "Did you see the report in the New York Times of the massacres in the Congo?" and saying, "Did you see the massacres in the Congo on television last night?" The first remark implies only that one has seen a report, which may conflict with another report. The second implies that one has seen the event itself. However carefully television is used, it cannot avoid this deception.

Another distortion of television news is due to the fact that although television can report incidents, which can and do happen in isolation, rarely can television report an event, the whole of which may escape even the historian. A newspaper man has some flexibility in his reporting. He can reach where the camera cannot reach. He can go off the record. He can qualify, give perspective. A television reporter, on the other hand, no matter how carefully he chooses his words, can never properly qualify a spectacular picture.

Still another distortion inherent to television news results from the fact that not only is the core of television the public and the spectacular, but there is an important sense in which television has a vested interest in disaster. "Violence—movement—is the stuff of television, something it cannot help emphasizing," Mr. Fairlie reminds us.

Three distinct characteristics of television intensify the special temptations to which it is exposed:

First. Limitation of time. This limitation results in concentration to the point of distortion. And in the reporting of violence it means concentration on the violent incident to the exclusion of the whole event. The police attack on civil rights marchers at the Selma, Ala., bridge in March 1967 is used to illustrate this type of distortion.

Second. Television's tendency to produce self-generating news. Television, merely by its presence, helps to create incidents. This problem has arisen again and again, says Mr. Fairlie, wherever there have been riots and disturbances, as in Watts.

Third. The size of the television screen—the limitations it imposes, the temptations it offers. Last summer, for example, television news showed some alarming pictures of white people in the Chicago suburb of Cicero screaming abuse at some Negro marchers. They looked as if they were a representative sample of a much larger crowd. In reality, however, the crowds themselves were only a small part of the total white population of Cicero.

Finally, news on television can be distorted as a result of the fact that television can create not only events but whole movements out of incidents. The author describes the Meredith march across Mississippi to illustrate this point.

Once the distortions of television news are brought to our attention, we immediately ask if there is any way to correct or minimize them. Mr. Fairlie's reply:

> The only immediate answer to most of the problems of television news lies not in pictures but in words. Most television reporting just describes the pictures, and by doing so reinforces them. But the object should be to correct the pictures, to supply qualifications, to say, "It was not quite so. This was not the whole story."

Further, Mr. Fairlie contends that although television can do some things remarkably well, especially in full-length features and documentaries, and that those people involved in making television programs are conscientious and skillful, these facts do not really touch the main problem. Life is not made up of dramatic incidents—not even the life of a nation.

> Many of our unnecessary anxieties about the way we live, about the fearful things that may happen to us, might be allayed if television news began, now and then, to say: "It has been a dull day. But we have collected some rather interesting pictures for you of no particular significance."

Concludes Mr. Fairlie:

> Television news has a deep responsibility to try to be dull, from time to time, and let the world sleep better.

Mr. President, I ask unanimous consent that Mr. Fairlie's thought-provoking article be printed in the RECORD.

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

THE UNREAL WORLD OF TELEVISION NEWS

(NOTE.—In its search for action, television news reporting creates the image of an overstimulated world. Incidents begin to look like crises—and then become crises in fact.)

(By Henry Fairlie)

None of us has ever seen Alexander the Great emerging from his tent. If there had been television in his day, and if we could today look at the tape, would we know him any better, as we think we now know Lyndon B. Johnson when we see him on television news emerging, say, from a helicopter?

The answer is far from clear. Of all historical evidence, the public presence of voice or of physical appearance is the most revealing, but it can also be the most misleading. Yet every night, watching television news, millions of people have to decide whether they can believe what they see flickering in front of them. Is it genuine? Can television, by its nature, tell the truth?

"The evidence of one's own eyes?" But that is precisely what is not available. What is available is the evidence of the camera, making its own selection, dictating its own terms.

Television does not merely create news—as newspapers have done for generations. Television creates its own events. Unlike the newspaperman's words, television happens as we watch.

There is a vital margin of difference between saying, "Did you see the report in the New York Times of the massacres in the Congo?" and saying, "Did you see the massacres in the Congo on television last night?" The first remark implies only that one has seen a report, which may conflict with another report. The second implies that one has seen the event itself. However carefully television is used, it cannot avoid this deception.

Television can report incidents; it is the nature of incidents that they can, and do, happen in isolation. But rarely can television report an event. The true meaning of an event depends on all of its known and unknown causes, on all of the known and unknown incidents that contribute to it, on all its repercussions. The whole of an incident can easily be described; the whole of an event may escape even the historian.

If this is the difficulty that confronts the newspaper reporter from day to day, it is one that the television reporter can rarely overcome. For the newspaper reporter has flexibility. He can reach where the camera cannot reach. He can go "off the record." He can qualify, provide perspective. The television reporter, on the other hand, however carefully he chooses his words, can never properly qualify a spectacular picture.

Not only is the core of television the public and the spectacular, but there is an important sense in which television has a vested interest in disaster. From the point of view of a good story, both newspapers and television prefer covering a major strike to covering negotiations which prevent a strike. Yet it is possible for the newspaper reporter to make negotiations almost as exciting as a strike. But what can television do with negotiations? It can only show pictures of people arriving at a building and people leaving it.

Violence—movement—is the stuff of television, something it cannot help emphasizing. Three distinct characteristics of television intensify the special temptations to which it is exposed. There is, first, the limitation of time. A lead news story in a paper may take ten minutes to read. This sort of time is simply not available in handling television news. This means concentration to the point of distortion; and, in the reporting of violence, it means concentration on the violent incident to the exclusion of the whole event.

An example of such distortion was the police attack on civil-rights marchers at the Selma, Ala., bridge in March 1965. Every reliable reporter I know who was present points out that there was first a period during which police and demonstrators faced each other without violence, in an atmosphere of unbearable tension.

Television news broadcasts did not, and could not, show this prelimitary encounter; three minutes of film is an extended sequence in a news program. But without knowledge of the buildup to put the vio-

lence in perspective, one begins to think that police brutality is automatic, that the police will always behave in such a manner.

There is, second, television's tendency to produce self-generating news. The problem has arisen, again and again, wherever there have been riots and disturbances, as in Watts. However spontaneous the original outbreak of violence, as television cameramen and reporters move into the streets looking—literally looking—for trouble, they add external provocation. The crowds begin to play up to them. Television, merely by its presence, helps to create incidents.

Finally, there is the size of the television screen—the limitations it imposes, the temptations it offers. Last summer, television news showed some alarming pictures of white men and women in the Chicago suburb of Cicero screaming abuse at some Negro marchers. Their hating faces filled the screen. They looked as if they were a representative example of a much larger crowd. But anyone who was there knows that these particular whites were only a small part of the crowds in the streets, and that the crowds themselves were only a small part of the total white population of Cicero. To this vital extent, television that night distorted badly.

So, people sitting in their homes begin to think that all police are brutal, that all demonstrators are violent, that all disturbances are riots, that all crowds are aggressive. The fact that we ourselves usually go through each day without either meeting or displaying violence becomes less real to us than what we see on the small screen. Much of our feeling of living in a condition of perpetual crisis, and the agitation arising from it stems from this.

Television can create not only events but whole movements out of incidents. The television news coverage of the Meredith march across Mississippi, during the time when I accompanied it, constantly appalled me. The straggling column was made on the small screen to look like an army. When the cameras were rolling, the marchers—few in numbers and anything but impressive in mien—pulled themselves together and played the role expected of them. The leaders strode in line abreast, at the head of their enthusiastic followers.

The real story of the Meredith march was not this unified demonstration at all, but the fact that it brought to light the deeply significant clash between different factions of the civil-rights movement over "black power."

Newspapers felt their way to this story, which for the most part was taking place in private meetings, and by the end they were reporting it fully. But when television at last caught on to the fact of "black power," it inevitably exaggerated and distorted it. Since film is expensive, in reporting any speech the television reporter and cameraman make an automatic, almost involuntary, preselection. They wait for the mention of a phrase like "black power"—then on go the lights, and the film rolls. By constant reiteration on the small screen, the slogan of "black power" was elevated into a movement. It was suddenly there. It had suddenly happened.

The only immediate answer to most of the problems of television news lies not in pictures but in words. Most television reporting just describes the pictures, and by doing so reinforces them. But the object should be to correct the pictures, to supply qualification, to say, "It was not quite so. This was not the whole story." In essence: to remind the viewer that he is seeing not an event, only an impression of one.

That television news can do some things remarkably well, especially in full-length features and documentaries, that those involved in making television programs are conscientious and skillful, does not touch the main problem. Life is not made up of dramatic incidents—not even the life of a nation. Many of our unnecessary anxieties about the way we live, about the fearful things that may happen to us, might be allayed if television news began, now and then, to say: "It has been a dull day. But we have collected some rather interesting pictures for you, of no particular significance." Television news has a deep responsibility to try to be dull, from time to time, and let the world sleep better.

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## STATEMENT BY ARLEN SPECTER ON HOUSING

Mr. PERCY. Mr. President, yesterday the Subcommittee on Housing of the Committee on Banking and Currency completed more than 2 weeks of hearings on pending bills in the field of housing.

Chairman SPARKMAN brought before the subcommittee a group of interesting and helpful witnesses.

One of the most distinguished witnesses scheduled to appear before the subcommittee was Arlen Specter, district attorney of Philadelphia. Unfortunately, Mr. Specter was called back to Philadelphia before he had an opportunity to personally present his statement. Mr. Specter's statement is an excellent one. It expresses quite eloquently the present state of crisis in our cities. I commend this statement to Senators and ask unanimous consent that it be printed in the RECORD.

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

TESTIMONY BY ARLEN SPECTER, DISTRICT ATTORNEY OF PHILADELPHIA, BEFORE THE SUBCOMMITTEE ON HOUSING AND URBAN AFFAIRS, U.S. SENATE COMMITTEE ON BANKING AND CURRENCY, WASHINGTON, D.C., AUGUST 7, 1967

Mr. Chairman, thank you for the invitation to testify before your distinguished committee today.

I am Arlen Specter, District Attorney of Philadelphia. I am appearing in support of Senator Hugh Scott's bill, S. 2219, to provide Federal financial assistance to help local communities develop and carry out intensive programs of rat control and extermination. I would support any other legislation which accomplishes the same end.

It has become almost trite to say that the cities of the United States are in a state of crisis. But this crisis is immediate and pressing on a daily, nightly and hour-by-hour basis. As the chief law enforcement officer of Philadelphia, I carefully weighed whether I should be absent for the forty-five minutes traveling time each way between Philadelphia and Washington, plus an hour's visit to the Nation's Capitol for the purpose of testifying.

I decided to come because I believe it cannot be emphasized too strongly that the problems of the cities are enormous and immediate. As a law enforcement officer, I can tell you that it is totally insufficient to pass criminal laws and send in troops. Legislation like the Rat Control Bill and other measures to improve urban life are indispensable if we are to provide basic social justice, which is a prerequisite for the maintenance of law and order.

The Congress of the United States should be aware of the reaction of the people of a city like Philadelphia to the statement by some members of the House of Representatives who made a joke of the Rat Control Bill. In assessing the situation in Philadelphia, I am in constant contact with the people from all sections of the City, including the ghetto areas. Prior to the House deliberation on the Rat Control Bill, I had thought that the only two courses of congressional action would be: 1. aid to cities or 2. inaction.

Comments by some House Members showed that there was a third course: ridicule. The third course was followed when the House summarily rejected the bill with comments from some members such as: "civil rats bill", "rat bureaucracy", "rat patronage", "high commissioner of rats", and "buy a lot of cats and turn them loose."

I personally heard many indignant responses from people in Philadelphia who face the problems of rats in their daily lives. The problem of rats in the cities is no joke.

It is a very serious problem. It may seem remote and trivial to some Americans, but to millions of others who live in slums it is a continuing nightmare. Finding a rat in a bathtub, or in a kitchen cupboard rummaging for food, or in an infant's crib: these are all too frequent occurrences in the United States and especially in Philadelphia.

And the cost of ignoring the rat problem is high. As the report of the House Committee on Banking and Currency stated, rats cause almost $1 billion damage a year in the U.S. This is more than three times the amount of money the Federal Government spent last year on public housing.

Dollars are by no means the only measure of the cost of rat infestation. Seven major U.S. cities alone have a total of almost 1,000 ratbite cases annually. The House report estimated that Philadelphia has over 50 reported cases each year. The fact is, Mr. Chairman, Philadelphia has from 75 to 100 reported cases annually. These figures are very conservative. Dr. Newell Good, the public health entomologist in Philadelphia, estimates that the number of unreported rat bites might be as high as ten times the number reported.

Almost all the victims are children and infants. It is not uncommon for rats to climb into infants' cribs, lured by the smell of milk from the nursing bottle. And rats represent a serious health menace. They breed in accumulations of trash and garbage and then get into kitchens, looking for food.

This is a problem that calls for prompt action. The local communities do not have the resources to do it alone. The Philadelphia Board of Health estimates it needs three times its present budget to do a first-rate job of rat control.

Senator Scott's bill would authorize Federal grants to cover ⅔ of the cost of local three-year programs approved by the Department of Housing and Urban Development. It would authorize $20 million each for the fiscal years 1968 and 1969. This Federal assistance is essential to enable local governments to effectuate workable, comprehensive programs.

Adoption of Federal Legislation on Rat Control would activate a program to:

1. *Educate* the people on the dangers posed by rats and on basic precautions;

2. Stimulate *code enforcement* by the cities on matters related to garbage and trash storage and collection; and

3. Institute a *comprehensive plan* with research and innovations for rat control.

*Education* is vitally necessary for many people in the cities to understand the problems posed by rat bites or the spread of disease by rats. The presence of a rat in a slum dwelling has, for many, become an accepted part of the housing problem. The rat is a non-rent paying subtenant who could be evicted, in some situations, by the residents if they had some basic information on the seriousness of the problem and some fundamental procedures for rat control. However, the overall problem goes far beyond the ability of the individual resident to control. However, he could take some steps to protect himself with a better understanding of the problems.

*Code enforcement* in a city like Philadel-

phia leaves much to be desired. Vast improvements are necessary in the storage of garbage and trash. In Philadelphia for many weeks, a bitter controversy has been in process between the landlord and tenants in a housing development known as Jefferson Manor.

I personally inspected the situation where trash cans were uncovered, spilled over onto the ground and decaying garbage was lying for protracted periods in the open. Code enforcement by appropriate city officials was obviously lacking in this situation. Federal grants could be conditioned upon effective city code enforcement which would stimulate vigilance by the appropriate city officials.

A COMPREHENSIVE PLAN

The availability of Federal grants would compel cities to adopt "a workable program for community improvement." Such a plan would doubtless lead to many specific improvements.

For example, clean block programs could be initiated and encouraged. Improved methods of containing and collecting refuse could be initiated, and collections in slum areas increased. Accumulations of trash and garbage could be removed from alleyways and vacant lots and buildings, eliminating rat harborages. The infested areas could be kept clean by stricter housing and sanitation code enforcement.

Buildings could be ratproofed, and more extensive extermination carried out. Innovative techniques could be tested, as for example the use of cameras to detect holes in sewers from which rats are burrowing up through the ground.

This bill will not be a total solution, of course. The rat problem cannot be completely solved in three years. It will require continued local effort and vigilance. And it will require effort in other areas, too. I am referring particularly to housing. The greatest obstacle to the elimination of rats is the perpetuation of dilapidated slum housing. In Philadelphia, in those places where slums have been replaced by new housing, the rat problem has been substantially reduced. Unfortunately, slum clearance takes time, and we need action now.

I ask you to look at this bill in its proper perspective. It is not an isolated piece of legislation: It is part of a general assault on the critical problems of our urban slums the need for which has become so tragically apparent recently. This assault requires cooperative action by all levels of government: Federal, state, and local. We can delay no longer. Therefore, I urge you to report this bill favorably.

## ELECTRONIC SNOOPERS

Mr. LONG of Missouri. Mr. President, on July 9, 1967, the Courier-Journal of Louisville, Ky., published an excellent editorial entitled "The Grave Our Only Refuge From Electronic Snoopers?"

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

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

THE GRAVE OUR ONLY REFUGE FROM ELECTRONIC SNOOPERS?

"The grave's a fine and private place," wrote Andrew Marvell, and from the way things are trending in this country, the grave may be the only haven from snoops in their infinite and unpleasant variety.

Wiretapping is old hat. Electronic bugging devices are the rage now, and their manufacture and sale has become big business. No longer are law enforcement officers the main users of these devices. *The Wall Street Journal* reports:

". . . Today, a majority of the devices are said to be in private hands. Electronic snoops are popular for bedroom bugging in divorce cases and for industrial espionage. And a small Texas maker of bugs confides that employers find the devices handy in spying on workers 'to see if they are loyal and honest.' "

Manufacturers are capitalizing on the popularity of snooping both ways. Some of the same firms that produce bugs are now producing devices to detect the bugs they sell. One might deplore this cynicism but what is really disturbing is that we have a society that provides an eager market for instruments to destroy privacy.

SCANTY EAVESDROPPING LAWS

Those who are concerned about this massive and ingenious invasion of privacy are fighting back, but to no great effect so far. While there are legal restrictions on telephone tappings, there are no federal statutes against electronic eavesdropping. Only a few states have laws forbidding the act of eavesdropping, and they are inadequate to deal with electronic techniques.

The federal government, however, is continuing to restrict eavesdropping by its agents, many of whom set the example the public is now following. Attorney General Ramsey Clark has just issued new regulations forbidding all wiretapping and virtually all eavesdropping by federal agents except where national security is involved. They go beyond the limits placed on eavesdropping by President Johnson in 1965.

The government's new restrictions on snooping by its own people are not entirely the result of a disinterested concern for the constitutional niceties. Eavesdropping by some federal agents has played hob with cases the Justice Department expended a lot of effort and money on building—only to have them knocked down by the courts on constitutional grounds.

The restrictions on government eavesdropping are encouraging. They do not, however, get at the problem of electronic snooping outside the government. Several bills before Congress would. One of them is an administration measure that would curtail the manufacture of electronic bugs and make it illegal to buy them in interstate trade or to advertise them as snooping devices. Congress should pass this bill and additional legislation penalizing those who practice electronic spying.

## WEST VIRGINIA GOES DOWN TO THE SEA IN SHIPS

Mr. BYRD of West Virginia. Mr. President, recently I placed into the RECORD a number of chapters from a book entitled "West Virginia Heritage" published by the West Virginia Heritage Foundation in Richwood, W. Va.

The tragic fire aboard the aircraft carrier *Forrestal* and the heroism displayed by her sailors brought to mind another chapter in this book entitled "West Virginia Goes Down to the Sea in Ships."

The chapter chronicles the history of the various U.S. naval vessels that have borne the name U.S.S. *West Virginia*.

The first *West Virginia* was an armored cruiser that was launched in 1903. She saw service during World War I and took part in early experiments utilizing sea-launched aircraft.

Later, this ship was renamed the U.S.S. *Huntington* because the dreadnaught class battleship named U.S.S. *West Virginia* was being built.

The battleship *West Virginia* was launched in 1921, too late to see service in World War I. And, after her launching on November 19, 1921, she was in peacetime service for some 20 years. However, on a quiet Sunday morning in Hawaii this peacetime calm was forever shattered.

For the *West Virginia* found herself under attack by Japanese bombers at Pearl Harbor on December 7, 1941.

The bombs hit their targets and fires spread rapidly throughout the ship. The ship's crew fought them bravely. And I now quote from the book:

The Captain was wounded seriously, but refused to leave the bridge, his entire thoughts being centered on fighting the fires in the ship and removing the crew to safety if the fires got beyond control. The ship's own batteries were roaring with such intensity the Executive officer could not hear the detonation of enemy bombs and torpedoes, only feel the concussion when they hit the ship. The Japanese attacked in waves and each wave seemed to get a hit on the *West Virginia* on its exposed port side. The ship developed a list of about 25 degrees and the Executive phoned an order for counterflooding to ballast the ship back to an even keel. He did not know whether the order was received or not, but the ballasting was done and the ship did correct her list.

The intense fire amidships had isolated the stern from the bow of the ship, and an order from central control came over the speaker to "abandon ship." The order was obeyed in part but those who did go ashore soon returned to join the crew battling the huge fire which was fed by leaked oil.

Now the heroic Captain of the *West Virginia*, Mervyn S. Bennion, died on his own deck, like Lord Nelson, in the hour of his greatest battle. The surviving officers and crew were absorbed in but one effort, extinguish the fires and prevent the ship from capsizing, in which event salvage might prove impossible.

Counterflooding was carefully done with the result the ship settled on the harbor bottom in fifty feet of water with only a slight list.

The crew doggedly battled the fires in relays for 30 hours and the next afternoon they were out. Captain Bennion was awarded the Congressional Medal of Honor posthumously for "bravery beyond the call of duty."

Following the Pearl Harbor attack, the ship was successfully raised from the harbor floor, repaired and refitted.

She then returned to the war zone and took part in several major battles. During the great naval battle of Leyte Gulf she is credited with sinking the Japanese battleship *Yamishiro*.

Overall, after Pearl Harbor, the *West Virginia* spent 223 days in battle actions and 112 in rear areas. Only four men were killed during this fighting and only 23 wounded. She shot down, or assisted in downing, 20 enemy planes.

After the war the *West Virginia* was retired to inactive status and during the 1950's was dismantled. Her main mast now stands in the Memorial Plaza of West Virginia University at Morgantown and her flagstaff, given to the city of Clarksburg, now stands in the courthouse lawn.

Such stories of heroism as this chapter recounts surely make us all proud to be Americans.

I ask unanimous consent that the chapters entitled "West Virginia Goes Down to the Sea in Ships" and "The Second U.S.S. *West Virginia*," be inserted in the RECORD.

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

WEST VIRGINIA GOES DOWN TO THE SEA IN SHIPS

(By Louis A. Childress)

The first USS West Virginia was an armored cruiser, authorized by an act of congress March 3, 1899, her keel was laid September 16, 1901, at the yard of the Newport News Shipbuilding and Dry Dock Company, Newport News, Virginia. Theodore Roosevelt, who, as assistant Secretary of the Navy, a few years before, had pushed so hard for the building of the new class of ships, of which she was about the first, had been president only two days when her keel was laid, succeeding the assassinated McKinley.

She was launched April 18th, 1903, sponsored by Miss Katharine V. White, daughter of the Honorable Albert B. White, Governor of West Virginia. The Chesapeake and Ohio Railway ran a special train from Huntington to Newport News carrying hundreds of West Virginians to witness the christening and launching, an impressive ceremony.

For that day and time the West Virginia was a big, powerful, fast fighting ship, able to hold her own with anything afloat in the world.

The State of West Virginia contracted with the Gorham Silver Company to create a handsome bronze tablet containing the coat of arms of the state to be worn by the new cruiser. The Gorham Company commissioned noted sculptor Massey Rhind to design a suitable bas relief, which was accepted, and resulted in a bronze tablet, over six feet long, semicircular, with the coat of arms of the state in the center, the figure of a sailor on one end, and a soldier on the other. This was mounted on the ship's main mast during construction, and after the ship's commissioning was presented with appropriate ceremony in September 1905.

Her dimensions were, Length 503'–11"; Beam 69'–7"; Displacement 13,400 Tons; Draft 24"–1'; Complement 47 officers, 782 enlisted men; Speed 22 Knots.

Her original armament, 4–8 inch 45 caliber rifles; 14–6 inch 50 caliber rifles; 18–3 inch 50 caliber rifles; 12–3 pounders; 2–1 pounders; 6–30 caliber guns; 2–18 inch torpedo tubes submerged; maximum armor thickness 9 inches;

The West Virginia was placed in commission February 23, 1905 under command of Captain C. H. Arnold USN. After a shakedown, and cruise with the New York naval militia, on September 2, 1906 she steamed to Oyster Bay, Long Island Sound, the home of President Theodore Roosevelt, for a Presidential Review before departing for a long absence in Asiatic waters.

On September 4th, 1906 she bade the President adieu, and after coaling at Bradford, R.I., she departed from Newport, R.I., September 8th for the Asiatic Station at Manila, P.I. On September 18th the West Virginia was at Gibraltar 2,990 miles on her way. She called at Naples, Italy, September 27; Piraeus, Greece, Oct. 2; Port Said, to transit the Suez Canal October 8th; October 24th she arrived Bombay, India, 2,941 miles from Port Tewfik, Egypt, November 9th at Singapore Straits Settlements, 2,435 miles from Bombay. On November 18th, 1906 she arrived at Manila, her station, 12,119 miles from Rhode Island in 73 days time.

On January 3, 1907 the West Virginia was a member of the First Squadron, Asiatic Fleet, and at that time or shortly thereafter, was designated Flag Ship of the Squadron, with Rear Admiral W. H. Brownson commanding the Squadron aboard her. Admiral Brownson's name is preserved for posterity in a peculiar second hand way. In later years a Destroyer was named for him, and that ship found the deepest place in the Atlantic Ocean, just north of Puerto Rico, so as the "Brownson Deep" his name will be on the charts of the Atlantic Ocean forever.

Our photograph shows the West Virginia as a Flag Ship, which she was several times, with a Rear Admiral's blue two starred flag flying at the top of her rear mast. The large heavy canvas covered steam or naphtha launch carried amidships may be the "Admiral's Barge" in which he could make comparatively long trips in large harbors or bays to visit other ships, or officials on shore. A smaller craft called the "Captain's Gig" would perform the same function for the ship's captain. The large sign above the enclosed pilot house would be illuminated at night so the location of the Admiral's headquarters might always be known. The four smokestacks, called "funnels," were the height of fashion at the time. When this ship was being built the first of the modern "ocean greyhound" passenger ships were being also launched, and any one that was thought worth considering had four funnels. When the West Virginia was commissioned she could run with, or outrun any of the so called fast liners. Under water her prow which extends forward in the picture, kept on curving forward into what is called a "ram prow," shaped not unlike the end of a football, composed of armor plate, filled with reinforced concrete, the idea being if you got a chance, to ram your adversary at twenty five miles an hour he would most surely be crushed like an egg.

In December 1906 and January 1907 she worked on target practice to keep up to the universally acknowledged high standard of the American Navy. She spent Christmas and New Years holidays that year in Hong Kong, and we can imagine to the great delight of the crew. She then returned to Manila Bay, her station, with more target practice and tactical maneuvering around Corregidor. On March 13, 1907, she arrived at Nanking, China for a ceremonial visit to the Viceroy of that Province. On March 18th she coaled at Woosung, China, and continued to Kobe, Japan, arriving March 25th. On April 1st, 1907, the West Virginia departed on the 1,680 mile run to Olongapo, Subic Bay, Philippine Islands for drydocking.

The month of May found her back to Japan, and June in China.

After two years on the Asiatic Station the West Virginia returned to the United States and was overhauled at the Mare Island Navy Yard, and then assigned to the Pacific Fleet.

On September 20, 1916, the West Virginia sailed for Mexico to protect Americans there during one of the uprisings of that period. While engaged in this work, on November 11, 1916 she was renamed Huntington, since she was an armored cruiser, and the Navy had decided to name all cruisers for cities, and battleships for states, and her old name of West Virginia was needed for a new super battleship then in the planning stage. On February 8, 1917 the Huntington arrived at Mare Island Navy Yard for repairs, and a new catapultic device for launching sea planes was installed on her quarter-deck, while other machinery to accommodate sea planes was installed on her boat ways. She could carry four planes, two on each side, high up by the bottom of her funnels. Ordered to the Naval Aeronautic Station at Pensacola, Florida, she took on coal stores and provisions at San Francisco and arrived at Balboa C. Z. May 22, 1917, where she was detached from the Pacific Fleet. The ship transited the Panama Canal, which had not been built when she entered the Pacific Ocean eleven years before, and arrived at Pensacola May 28, 1917, and for all practical purposes had circumnavigated the globe, which she had missed doing with "the great white fleet" in 1908, because at the time the fleet set out, the West Virginia was already on the other side of the globe on regular assignment.

Now began a most interesting chapter of the ship's history. In 1917 no one know what direction the future of air power would take in a choice between balloons, which were already 150 years old, or aeroplanes, as the spelling then was, which were only 14 years old. The Navy decided to try both together, so experiments were made by the ship with both balloons and seaplanes launched from the ship's deck with the catapult already installed.

Some men to become famous later were engaged on the ship in these experiments, namely, Lieutenant Mark Mitscher, famed combat commander of Carrier Task Forces in the Pacific in World War II, later Commander-in-Chief U.S. Atlantic Fleet. Also Lieut. (jg) Emory Rosendahl who became Vice Admiral Chief Naval Air Training and experimentation, working with the last dirigibles operated by the U.S. Navy. On August 1, 1917, the ship departed for New York, arriving August 6, 1917, at the point from which she had departed August 23, 1906, eleven years before, when there was no Panama Canal.

She became the flagship of Rear Admiral Gleaves, and departed New York, Sept. 8th, as flagship of Convoy Group Number 7, enroute to St. Nazaire, France, escorting six troopships. Enroute several observations were made by balloon ascents. On September 17th, at 9:15 a.m., the balloon was forced down by a violent squall, which entangled the balloonist, in the rigging in the water dragging him under. Patrick McGuinigal, Ships Fitter, dived overboard and at great risk rescued the balloonist, Lieut. (jg) Henry W. Hoyt who was hanging head down under water in the tangled basket. For this heroic action McGuinigal was awarded the first Congressional Medal of Honor of World War I.

In October 1917 at the New York Navy Yard, the balloons, seaplanes and all related equipment were removed from the ship, and we must conclude it had been decided the seaplanes and balloons at this stage of development and technique, were more of a hazard to our own men than to the enemy. History would now prove the hoped for favorable auguries under which the ship had been launched 14 years before, were in full effect. As far as the records show no enemy steel knocked a flake of paint off her, though for the duration of the war she ran convoy and special missions through the submarine zones with the regularity of a liner in peace time. She carried, and had on board the top councilors of the United States and Great Britain at various times. On October 27, 1917 she departed New York ostensibly to search for a German raider, but turned up next day, October 28th, at Halifax,, Nova Scotia, where a secretly assembled list of high officials boarded her for transit to Europe. They included, Colonel E. M. House, Special Envoy for the President; Admiral William S. Benson, Chief Naval Operations; General Tasker H. Bliss, Chief of Staff, U.S. Army; Officials of the War Trade Board; and others. They put to sea the evening of October 28, 1917, and on November 7th arrived at Devonport, England. The group was met on board the ship by Admiral William S. Sims, Commander U.S. Naval Forces Europe, and Admiral John Jellicoe, R.N., First Sea Lord of the Admiralty. A special train pulled onto the pier alongside the ship, and the entire party entrained for London.

By December 1, 1917 the ship was back in New York, whence she continued convoy duty between New York, Hampton Roads and Europe for the rest of the war, and at its conclusion entered Brooklyn Navy Yard to be fitted out for transport duty. She arrived Brest, France, December 29, 1918, and started ferrying troops homeward. After transporting to the U.S. 11,913 troops and passengers the ship was detached from transport duty July 8, 1919, and became flagship of Rear Admiral Newton A. McCully, Commander Flying Squadron One, Cruiser Force, Atlantic Fleet.

On September 1, 1920 the Huntington was placed out of commission in the Portsmouth

Navy Yard, Portsmouth, New Hampshire. Her name was stricken from Navy List on March 12, 1930, in accordance with the London Treaty limiting naval armaments. She was sold August 30, 1930.

THE SECOND U.S.S. WEST VIRGINIA

The Battleship West Virginia was the second naval ship to bear the state's name, and like the first, which was an armored cruiser of 1905 vintage, was the first of a new series embodying the latest advancements based on recent naval combat. The USS West Virginia was the first battleship laid down after the World War I battle of Jutland, which was the first fought by dreadnaught class ships, and had the advantage of the lessons learned in that battle.

Authorized by act of Congress August 29, 1916, she was built by the Newport News Shipbuilding and Dry Dock Co., Newport News, Virginia, the builders of her predecessor in name. She was launched November 19th, 1921, sponsored by Miss Alice Mann, daughter of Honorable Issac T. Mann of Bramwell, West Virginia, who was named by Governor E. F. Morgan for that honor. There was some question in the press some time ago as to what the USS West Virginia was christened with, since at the time of launching national prohibition was in effect. It would seem from all evidence now available the liquid used was champagne. The ship was the latest super-dreadnaught and last of the fleet of similar vessels, eleven of which, in process of building, were surrendered to destruction at the Conference for Limitation of Armament, "that was the priceless sacrifice our country made in the hope of international peace," so wrote Edwin Denby, then Secretary of the Navy, and a fruitless sacrifice it proved to be.

The ship's vital statistics were: Displacement weight, 32,600 tons; Length, 624 feet; Breadth, 97 feet; Draft, 31 ft., 6 in.

The ship's armament was imposing: 8–16 in. 45 caliber rifles; 16–5 in. 38 caliber rifles; forty 40 millimeter anti-aircraft guns; 64 20 millimeter anti-aircraft guns.

Sixteen gun directors guided these batteries; plus 13 installations of radar fire control gear. Certification that the ship was sufficiently equipped with boats to serve as a flag ship was made by Theodore Roosevelt, Jr., Assistant Secretary of the Navy. Like the old West Virginia, the new battleship served a large part of her active life as an Admiral's flag ship.

Now ensued a period of 18 years and six days of peacetime tedium for the great ship, in which she won pennants, citations, and a cup, for efficiency of performances and marksmanship, keeping honed to a keen edge against that time when her strength and skill would be needed in defense of her country.

So it was until Sunday morning December 7th, 1941, when she was sitting with her sister battleships in Pearl Harbor, Hawaii.

The Senior Surviving Officer of the West Virginia was the Executive Officer of the ship at the time, and we have this report before us, now declassified, and as it is the clearest description of the battle we have yet seen, he will be liberally quoted, and we start with the opening paragraph of his four page report.

"I was in my cabin just commencing to dress, when at 0755 the word was passed 'Away Fire and Rescue Party.' " This was followed about thirty seconds later by "General Quarters"; At the same time, 0755, the marine orderly rushed into the cabin and announced, "The Japanese are attacking us." Also, just at this time two heavy shocks on the hull of the West Virginia were felt. It seemed as if "these shocks were forward on the port side of the ship." Roscoe H. Hillenkoetter, then Executive Officer of the West Virginia survived the battle, and went on to a distinguished career, and as a Vice Admiral retired in 1957. The Executive, learning the Captain had gone to the bridge, busied himself with the crew fighting a huge fire which broke out amidship following a bomb hit there. He was knocked to the deck more than once and received a wound which did not incapacitate him at that time.

The Captain was wounded seriously but refused to leave the bridge, his entire thoughts being centered on fighting the ship, and removing the crew to safety if the fires got beyond control. The ship's own batteries were roaring with such intensity the Executive could not hear the detonation of enemy bombs and torpedoes, only feel the concussion when they hit the ship. The Japanese attacked in waves, and each wave seemed to get a hit on the West Virginia on its exposed port side. The ship developed a list of about 25 degrees, and the Executive phoned an order for counterflooding to ballast the ship back to an even keel. He did not know whether the order was received or not, but the ballasting was done, and the ship did correct her list.

The intense fire amidships had isolated the stern from the bow of the ship, and an order from central control came over the speaker to "abandon ship." The order was obeyed in part, but those who did go ashore soon returned to join the crew battling the huge fire which was fed by leaked oil. Now the heroic Captain of the West Virginia, Mervyn S. Bennion, died on his own deck, like Lord Nelson, in the hour of his greatest battle. The surviving officers and crew were absorbed in but one effort, extinguish the fires and prevent the ship from capsizing, in which event salvage might prove impossible. Counter-flooding was carefully done with the result the ship settled on the harbor bottom in fifty feet of water with only a slight list. The crew doggedly battled the fires in relays for thirty hours, and the next afternoon they were out. Captain Bennion was awarded the Congressional Medal of Honor posthumously for "bravery beyond the call of duty," and here apparently was another parallel with the ship's name predecessor, as the Armored Cruiser West Virginia had a man who earned the first medal of honor in World War I. A destroyer under construction in Boston was named the Bennion, and would have a peculiarly successful association later with the West Virginia in the hour of her greatest triumph.

As a result of the Japanese sneak attack without declaration of war, the West Virginia lost her Captain and 104 men, and sustained serious damage.

To the end she might be raised and repaired, a Salvage Officer was appointed, whose declassified report we use as historical documentation.

Divers reported extensive damage on the port side which took most of the enemy hits, except one which had struck the stern damaging the steering machinery, and blowing off the rudder post.

An immense "coffer dam" patch 61 by 97 feet was applied amidships, and a smaller one forward on the port side, the stern closed off by watertight doors, and the water inside the ship attacked with nine ten-inch deep well pumps. As the ship became buoyant the great danger of capsizing returned, and she was lightened in every way possible. The crew salvaged 800,000 gallons of fuel oil and stored it in a fuel barge. Sixty-six bodies were recovered mostly in the area of their battle emergency stations. Some caught in water tight compartments lived some days and died for lack of oxygen. Emergency stores at these stations had been consumed. Three men in a store room adjacent to fresh water tanks had removed the main hole cover from the water tanks, eaten the emergency rations in the room, and marked a calendar with an X on each day from December 7, 1941 to December 23, inclusive.

Temporary quarters for the crew were built on Ford Island adjacent to the ship, and a walkway on floats greatly expedited the salvage work. As soon as the ship had risen in the water sufficiently to expose the uppermost kitchen it was cleaned and the crew established a mess on their own ship once more, April 27, 1942. The ship floated again May 17, 1942, five months and ten days after she touched bottom. The ship was moved into a dry dock in Pearl Harbor and repaired sufficiently to run under her own power to Bremerton, Washington, though no more weird looking vessel ever took the sea with her grotesque patches covering most of the port side. She spent about a year undergoing a thorough rebuilding, and having the latest armament installed.

The ship was stream lined in appearance, though her beam had been increased to 144 feet by the addition of "torpedo blisters." Comparison of her before and after photographs look like two different ships. She had a re-birth July 4th, 1944 when she left the ways of the shipyard to be soon fitted out and ready for combat again. She started her campaign of vengeance in the Philippines and before the war was over her fire had become so galling and damaging to the Japanese, that Radio Tokyo made a special broadcast to her saying that a class of Japan's best pilots were attending their own funeral services in advance, in a mass ceremony, before taking off for the sole mission of destroying the West Virginia, and many died in the attempt, but never again did they sneak up on the ship in a peacetime berth.

The West Virginia met with other battleships and destroyers to bombard Japanese shore installations on the Leyte Island in the Philippines, to assist the U.S. Army in landing forces to defeat the Japanese occupying the islands. In the destroyer group was the Bennion, named for the deceased heroic captain of the West Virginia. The troops landed successfully, and quickly had an air strip in operation. The Japanese decided to destroy the American forces while in the vulnerable position of unloading supplies and equipment in San Pedro Bay, off Leyte Gulf, with a great concentration of unarmed supply and transport ships that would fall like lambs before wolves, if the Jap fleet could get in range of them. The Japanese committed a powerful fleet to this objective, which split into two elements to attack from both north and south. American scout plans warned of the Jap concentration and the strong U.S. Carrier force went north to meet the enemy without knowing the Jap fleet had split, and found the Japs fleeing in front of them. Behind guarding Leyte and its vulnerable fleet of freighters were the "old" battleships and a squadron of destroyers, unknown to the Japs. The southern Japanese fleet had to approach Leyte Gulf through Surigao Strait, which winds its way across the middle of the Philippine archipelago, affording one of two sea routes east and west across the Philippines, with Leyte Gulf its eastern portal. The Japanese plan was to transit the strait at night, exiting in Leyte Gulf at daybreak, amidst the fleet of freighters and transports destroying everything in sight. The hostile fleet consisted of two battleships, one of which was the Yamashiro, six cruisers, and ten destroyers, all of which had been seen by our air scouts as they coursed for Surigao Strait the evening of October 24, 1944.

The six "old" battleships we had on duty formed a line of battle in Leyte Gulf to meet the Japs as they debouched from Surigao Strait, with the destroyers organized in attacking sections of two or three, and sent to picket stations about 12 miles south of the battle line. The West Virginia, flying the same flag she wore at Pearl Harbor, had the proud honor of leading the battle line. Destroyer Bennion and two others comprised an attacking force operating on the West side of Surigao Strait. From reports of PT

scouts down the strait the Americans knew the Japs were coming.

The West Virginia was now over 22 years old, her companions were all "old" too, and several like her had come back from grave damage. The Japs would have all new ships, and should have the latest equipment, and on paper would be a superior force, especially in view of their modern cruisers.

Our attack destroyers were ordered to attack at 3:37 a.m.; "get the big boys," and the battle was on. The U.S. Battle line moved forward, the "open fire" order was given, and the West Virginia was the first battleship to open up. She poured 93 one-ton armor piercing shells into the Japanese formation with the Bennion now between her and the enemy to spot hits. The little destroyer stood back from the Japanese line just far enough for six, eight, fourteen, and sixteen inch shells to arch over her, and her hawk eyed spotters reported back that the shells from our line were hitting. The West Virginia caught the big Yamishiro in her range finders and never let her go. To quote the official report it is highly likely that the Bennion's torpedoes hit the Yamishiro also. This big Japanese ship went down a little later obscured by smoke near Hibuson Island. The waters of Leyte Gulf were thick with Japanese swimmers and debris from sunken smaller ships, the Jap naval elements crept away in the dark, and the Leyte area saw no more of the Japanese navy. The West Virginia is given credit for sinking the Yamishiro. Leyte was "in the bag." The big island half way from Leyte to Manila was Mindoro, and a line was drawn under its name on the map. In December its number came up, and the West Virginia with two other battleships, a division of cruisers, six escort carriers, and a dozen destroyers, entered the Sulu Sea and weathered fierce air attacks as they moved up to bombardment position at the southern end of Mindoro. The Japanese lost numerous planes trying vainly to prevent the Mindoro landing, but did not venture a naval challenge. Standing on Mindoro looking North, the beautiful mountain, plain and waterscape before you, only a few miles away is Luzon, the heart and key of the Philippines.

The island just to the south across Tablas Strait has a name that will ring a bell if you are old enough, Panay, pronounced pun-EYE, it was the little U.S. Gunboat Panay that the Japanese caught in the Yangtze River, China and made a sneak peace time attack on in 1937, that started this whole holocaust of war.

With General MacArthur on Mindoro in sight of Luzon, the West Virginia was given a brief respite, and she departed for a rear area base where she spent Christmas day peacefully. Next day, December 26, 1944, she departed for a rendezvous at sea with the forces bound for the invasion of Luzon. Early in January the many elements of the Luzon invasion fleet were approaching Lingayen Gulf, the inner shores of which are 100 air line miles from Manila, the Capital of the Philippines, and the key to the Orient. The fleet was under continuous attack by the Jap air force for nearly a week, especially the West Virginia, which was in bombardment position ahead of the invasion force, and steadily pounded shore installations. At dawn January 6, 1945 friendly Filipinos watching from the mountains surrounding Lingayen Gulf saw what they had long hoped for, an immense fleet of friendly ships standing in to shore to land a liberating army. Ironically the beach was still strewn with remnants of the Japanese landing barges used by their invasion four years before. Little Bennion fought like a tiger on this move, taking on a much larger Jap destroyer, hitting her at 14,000 yards and running her off the vulnerable mine sweepers in Bennion's charge, while protecting herself from persistent Kamikaze attack. The army went ashore with such little opposition that the towns of Lingayen and Dagupan on the southern shores of the gulf where our army landed, were not destroyed in any way, and were the only ones of scores of Philipino towns seen by your correspondent still lighted by electricity, their main streets intact, with fully dressed windows, an island of normal life in a hurricane of seeming universal destruction. Our bombardment had gone over the coastal towns, and quick landings had prevented the Japs returning and burning them. The West Virginia and other ships remained in the vicinity over a month to prevent another attempt by the Japs at a supply ship attack, on this vital Lingayen Gulf area.

The war was now moving fast, and the West Virginia with her big rifles would soon be needed at the next spot on the map with a line underneath its name, so she departed for a rear area spot for "rest and recreation" and resupply. She reached her operating base on a morning in early February, 1945, and less than 24 hours later the "rest and recreation" ended suddenly, when she received a new assignment. The crew worked all night loading provisions, supplies, and fuel oil. She departed for Iwo Jima at top speed, arriving one hour after the first landing and turned on her fire, which was kept up until her ammunition was exhausted.

For her quick "turn around" and being the only heavy ship from the Lingayen operation ready for and taking part in the Iwo Jima battle, the West Virginia received a well done from Fleet Admiral Chester W. Nimitz.

According to the official chronology the West Virginia had not been struck by a major size enemy projectile up to this time, had suffered nothing more than a superficial damage from attacking aircraft, which is remarkable considering the Surigao battle was ship against ship, in classic naval tradition, the use of aircraft restricted by darkness, the battle occurring between 3:30 and 4:30 a.m. In previous actions at one time a Kamikaze plane evaded the curtain of fire until within one hundred yards of the ship, when the plane was cut in two, one wing sailing entirely over the West Virginia, while the balance hit the water at the ship's side. But the West Virginia would not remain unscarred forever taking part in battles like these. She was soon at Okinawa, and in April was adding herself to the heroic struggle for that last of the island stepping stones to the Japanese homeland. Here she received her only damage from enemy action, the night of the invasion. A Japanese suicide plane evaded a rain of tracer fire and dived steeply into the superstructure on her port side. The same side of all that damage at Pearl Harbor. He killed four of her men and wounded 23 others. Within an hour the West Virginia captain signalled he was fully operative.

The plane battered the splinter shield, a fire room intake, and parts of the signal bridge, broke through one deck and wound up in the galley. It's bomb was a dud, and fortunately did not explode. The engine thrown clear of the plane bounded into the ship's laundry. Fires which broke out were quickly extinguished, the bomb was defused and kept for a souvenir. The only permanent damage was the loss of one 20 MM gun mount. In less than three days the ship's own crew repaired all damage. A strongly fortified ridge position on Okinawa was called Shuri Castle, and its occupants were a thorn in the side of the U.S. Tenth Army fighting for capture of the island. On request the West Virginia sighted her sixteen inch rifles in on Shuri Castle and laid one hundred one-ton high explosive shells into it, destroying it entirely.

Next the West Virginia moved to Ie Shima and laid on a bombard-to aid in the capture of that island. In the battle here Ernie Pyle, widely known war correspondent, met death. In the battles of Okinawa and Ie Shima the West Virginia fired nearly 1,300 rounds of sixteen inch ammunition into enemy defenses of the islands.

Lying in Buckner Bay, Okinawa, named for U.S. General Buckner, son of Confederate General Buckner, defender of Vicksburg, the West Virginia was preparing to depart on a raiding mission that would take her to the China coast, when she received orders to join Admiral Halsey's third fleet as part of the advance occupation force in Japan, she had her last shot in anger.

Now her proudest moment came on August 31, 1945, when she steamed through Urage Channel into Tokyo Bay, the first of the "old" battleships to anchor off the Japanese capital. She was in sight of the Missouri when the surrender of Japan was signed, on board that ship with the scars of Pearl Harbor on her to witness the surrender, a fitting close to her illustrious fighting career.

After Pearl Harbor and rebuilding she had spent 223 days in battle actions, and 112 in rear areas. Lost four killed, and 23 wounded.

She had shot down, and assisted in downing 20 enemy planes.

She had sunk the Japanese battleship Yamashiro, which more than paid for all the money spent on the *West Virginia*, for if that giant had broken into San Pedro Bay the early morning of October 25, 1944, the entire war effort might have been set back a full year in time, with incalculable cost in money, and more important, lives.

She had fired literally a train-load of ammunition into the enemy,

| | *Rounds* |
|---|---|
| 16 inch | 2,865 |
| 5 inch | 23,880 |
| 40 MM | 11,041 |
| 20 MM | 21,759 |

Since Pearl Harbor she had steamed 71,615 miles, over 60,000 in combat area. The decorations of her crew included the Congressional Medal of Honor to her dead Captain, and thirty-eight crosses, medals, and commendations to her men.

The *West Virginia* herself earned five battle stars, plus the Navy Occupational Medal. She had participated in five major invasions, and led the battle line in possibly the last classic naval battle between surface battleships.

The *West Virginia* was retired to inactive status, and dismantled in the nineteen fifties, the main mast going to West Virginia University, where it stands in the Memorial Plaza, the flag staff to Clarksburg where it stands in the Court House lawn.

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## THE CBS "WARREN REPORT"—PART III

Mr. HARTKE. Mr. President, I have previously had printed in the RECORD two of the four successive broadcasts entitled "The Warren Report," as produced by CBS in the last week of June. I now ask unanimous consent that part III of that "News Inquiry," as CBS designated it, which appeared on the Nation's television screens on June 27, may also be printed in the RECORD.

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

CBS NEWS INQUIRY, "THE WARREN REPORT"—PART III

(Broadcast over the CBS Television Network, June 27, 1967)

With CBS News Correspondents Walter Cronkite, Dan Rather, Mike Wallace, and KRLD-TV News Director Eddie Barker.

Executive producer: Leslie Midgley.

CRONKITE. For two nights we have been looking for answers to major questions concerning the assassination of President John F. Kennedy. Sunday night we asked: Did Lee Harvey Oswald take a rifle to the Book De-

pository Building? Our answer was yes. Where was Oswald on the day President Kennedy was shot? In the building on the sixth floor. Was Oswald's rifle fired from the building? Yes. How many shots were fired? Most likely, three. How fast could Oswald's rifle be fired? Fast enough. What was the time span of the shots? At least as large as the Warren Commission reported? Most likely the assassin had more time, not less.

And so, we concluded Sunday night that Lee Harvey Oswald fired three shots at the motorcade. And then, last night, we began to look into the question of conspiracy. Were there others also firing at the President? We interviewed eyewitnesses. They told conflicting stories. We tested in our own investigation the critical single bullet theory and found one bullet might well have wounded both men. Captain James Humes, who conducted the autopsy on the President, broke a three-and-a-half-year silence to report that he has re-examined the X-rays and photographs and stands firm that the shots came from behind. We heard Governor Connally and heard that his recollections conform with our own reconstruction of the assassination. And we concluded that there was no second gunman.

Tonight, we look further into the question of conspiracy. Was Oswald acting alone, or was he the agent of others? Was the assassination the sole work of a twisted, discontented man, seeking a place in history? Or, were there dark forces behind Oswald?

Continuing to seek an answer to the question of whether Lee Harvey Oswald was involved in a conspiracy leads us to a second murder. Oswald was taken into custody in a movie theatre at 1:50 P.M., 80 minutes after President Kennedy was shot. But he was first charged, not with the murder of the President, but with the murder of Dallas police officer, J. D. Tippit.

Our next question: Could Oswald have made his way to the scene of Officer Tippit's murder?

RATHER. To solve the Tippit killing, it is vital to reconstruct Lee Harvey Oswald's actions from the moment of the assassination to the moment of Tippit's death. Yet for three and a half years, all news media have been barred from the Texas School Book Depository where the first critical few moments of Oswald's flight occurred. Depository officials have agreed to lift the ban for these special broadcasts and so, for the first time, we have been able to follow the path of Oswald's movements from his sniper's nest on the sixth floor.

Taking his rifle with him, Oswald went between the stacks of book cartons to the opposite corner of the sixth floor. He tucked the rifle down between stacks, and at this point probably discovered that the elevator could not be brought up, that Charles Givens, eager to see the parade, had forgotten to close the gate. So Oswald turned to the stairs and went down four flights to the second floor and to the lunchroom there, where he was next seen at about 12:31 PM, barely a minute and a half after his third shot.

In front of a coke machine a policeman at gunpoint actually stopped Oswald. But Depository Superintendent Roy Truly told the officer Oswald was an employee, and Oswald was released. Free to go, Oswald apparently crossed the second floor through this office, went down the front stairs, perhaps three minutes after the assassination, and continued out through the glass front door, well before police sealed off the Depository building.

CRONKITE. Here is how the Warren Commission reconstructed Oswald's movements after he left the Depository. He walked seven blocks down Elm Street, then took a bus on Murphy, headed for Oak Cliff. But the bus quickly became tangled in the traffic jam caused by the assassination itself. And Oswald got off, walked two blocks to Lamar, then took a cab several blocks past his rooming house on Beckley.

The Commission believes he then walked back to his apartment picked up a revolver and a lightweight jacket, and set off on foot down Beckley.

POLICE RADIO. Attention all squads. Attention all squads. The suspect in the shooting at Elm and Houston is reported to be an unknown white man, approximately 30, slender build, is possibly armed with what is thought to be a 30 calibre rifle. No further description at this time, or information. 12:45. KTB.

CRONKITE. During this period, the Dallas police radio broadcast a description of a suspect, and critics have made much of the speed with which it was sent out—just 15 minutes after the shots were fired. It asked officers to be on the lookout for a white man, slender, weighing about 165, standing about 5 feet 10 inches, in his early 30's.

Well, how did police get the description on the air in 15 minutes? Critics have questioned both the source of the description and the speed with which it was sent out. The Warren Commission admitted the source could only be guessed at. Its own guess was that it came from Howard L. Brennan, an eyewitness. The critics doubt Brennan had a good enough view of Oswald in the window to arrive at a good description. They also doubt he passed the information on to a Secret Serviceman within 10 minutes, as he later claimed.

At 1:15 PM, 45 minutes after the assassination, the Commission Report says, Officer Tippit stopped Oswald, whether because of the description or not will never be known, and was shot down. But did Oswald have time to get to Tenth and Patton in time for the fatal encounter with Tippit?

RATHER. A CBS newsmen, following the Warren Commission blueprint, found that 45 minutes was ample time.

CRONKITE. The answer is yes. He could have made his way there.

Why was Officer Tippit in Oak Cliff off his normal beat? Those who believe there was a conspiracy involving the Dallas police force have maintained that the meeting between Oswald and Tippit was not an accident, that Tippit may have been looking for Oswald or vice versa. They say Tippit should not have been where he was and should not have been alone in the squad car. Eddie Barker talked to police radio dispatcher, Murray Jackson:

BARKER. Officer Jackson, a lot of critics of the Warren Report have made quite a thing out of the fact that Officer Tippit was not in his district when he was killed. Could you tell us how he happened to be out of his district?

MURRAY JACKSON. Yes, sir. I have heard this several times since the incident occurred. He was where he was because I had assigned him to be where he was in the central Oak Cliff area. There was the shooting involving the President and we immediately dispatched every available unit to the triple underpass where the shot was reported to have come from.

I realized that we were draining the Oak Cliff area of available police officers, so if there was an emergency such as an armed robbery or a major accident to come up, we wouldn't have anybody there that would be in any close proximity to answer the call. And since J. D. was the outermost unit—actually I had two units: 87, which was Officer Nelson, and 78, which was Officer Tippit.

BARKER. Well, now, is—you got down to the time when Officer Tippit met his death. What transpired right prior to that? Did you—were you aware of where he was all the time?

JACKSON. No, I asked him once again what his location was sometime after and to determine that he was in the Oak Cliff area, he said he was at Lancaster and Eighth, which is on the east side of Oak Cliff, on the—in the main business district. And I asked him once again, a few minutes later what his—I called him to ask him his location so I could keep track of him, where he was, in my mind, but he didn't answer.

BARKER. When did you realize that he was dead?

JACKSON. We had received a call from a citizen. They called us on the telephone and the call sheet came—came to me and there was a disturbance in the street in the 400 block of East Tenth. And I had called. I said, "78," and he didn't answer. And almost immediately to this, a citizen came in on the police radio and said, "Send me some help there's been an officer shot out here." And knowing that J. D. was the only one that should have been in Oak Cliff, my reaction was to call 78, and, of course, J. D. didn't answer. So, we asked the citizen to look at the—the number on the side of the car. This was the equipment number that determined which car, which patrol car, was to be on each assigned district, and they said that it was number 10. And since I had worked with J. D. in this particular car, well, I determined to myself that with him not answering, and the equipment number, that this was Officer Tippit.

CRONKITE. The answer to this question is that he had been sent to Oak Cliff by the police dispatcher. Opponents of the Warren Report maintain that Officer Tippit was shot, not by Oswald, but by others. Who shot Officer Tippit? Eddie Barker talked to two witnesses who were on the scene of the Tippit murder. First, Domingo Benavides, who was at the wheel of a truck across the street from the scene.

DOMINGO BENAVIDES. As I was driving down the street I seen this police car, was sitting here, and the officer was getting out of the car and apparently he'd been talking to the man that was standing by the car. The policeman got out of the car and, as he walked past the windshield of the car, where it's kind of lined up over the hood of the car, where this other man shot him. And, of course, he was reaching for his gun.

And so, I was standing there, you know, I mean sitting there in the truck, and not in no big hurry to get out because I was sitting there watching everything. This man turned from the car then, and took a couple of steps and, as he turned to walk away I believe he was unloading his gun, and he took the shells up in his hand and, as he took off, he threw them in the bushes more or less like nothing really, trying to get rid of them. I guess he didn't figure he'd get caught anyway, so he just threw them in the bushes.

But he—as he started to turn to walk away, well, he stopped and looked back at me and I don't know if he figured, well, I'll just let this poor guy go, or he had nothing to do with it, or, you know, I'm not out to kill everybody, just, you know, whoever gets in my way, I guess. I gave him enough time to get around the house. Thinking he might have went in the house, I set there for maybe a second or two and then jumped out of the truck and run over. As I walked by, I didn't even slow down, I seen the officer's dead. So I just walked on—got in the car and I figured that would be the fastest way—in fact, I don't know why I called him on the radio. I just figured now that it was the fastest way to—to get a police officer out.

POLICE RADIO. Hello, police operator (static), go ahead. Hello, we've got a shooting out here. Where's it at? This is the police radio. What location is it at? Between Marsalis and Beckley. It's a police officer. Somebody shot him. What—what—it's in a police car, Number 10. Hello, police operator, did you get that? Police officer, 510 East Jefferson. Thank you. 35, assist the police . . .

BARKER. Well, now, did several other people come up later?

BENAVIDES. Immediately afterwards. I mean, it was just—all I had to do was—people I asked a block away like Mr. Callaway, he come up and he says, let's go get him, or something. And then this cab pulled up right afterwards, and so Callaway went over and took the guns—the officer's gun out of his hand.

BARKER. Callaway did go after him, did he?

BENAVIDES. Yeah, Callaway took off to go try to catch him.

TED CALLAWAY. Well, Eddie, I was standing on the front porch of the used car lot that I worked on here, and all of a sudden I heard some shooting.

In fact, I heard five shots coming from the direction behind the lot, out on Tenth Street there. Well, I come running off the side of the porch and out to the sidewalk here, and I looked up the street and I saw this man run through this hedge up here on the corner. And I saw right away that he had a gun in his hand. And he continued across the street coming in this direction. So when he got right across from me over here, just, oh, about 30 yards or less, why, I called to him and just asked him, "Hey, man, what the hell's goin' on, fella?" That's just exactly what I wondered. I didn't know who it was at the time, of course. And he looked in my direction and paused, almost stopped, and said something to me but I couldn't make out what he said. But he had this pistol in his hand, carrying it in what we used to call in the Marine Corps a raised pistol position, and then he slowed down and started walking.

Then, I ran to the corner of Tenth and Patton, and when I got there, I saw this squad car parked near the curb. And then I walked around in front of the squad car and this policeman was lying in front of the squad car.

BARKER. Dom, what about those expended shells?

BENAVIDES. Well, they were looking all over the place for evidence, I guess, and taking fingerprints and what have you. So, I guessed they was going to walk off and leave them, you know, not knowing they was there. And seeing that I knew where they was at, I walked over and—and picked up a stick and picked them up and put them in a waistcoat pocket. I think I picked up two and put them in a waistcoat pocket and then, as I was walking up, I picked the other one up by hand, I believe. And I picked them up with a stick, you know, to keep from leaving fingerprints on them, because I figured they might need them.

CRONKITE. The cartridges that Benavides picked up were positively identified as being fired in Oswald's revolver. But, only one of the four lead bullets removed from Officer Tippit's body could be positively identified with that revolver by Illinois ballistics identification expert, Joseph Nicol.

NICOL. In the examination of the projectiles, the tests and the—and the evidence projectiles were not easily matched because of a certain mechanical problem with the weapon. The—the barrel was over-sized for the size of the ammunition used, since this was a weapon originally intended for British use and it was reimported into America.

This means that the bullet, instead of touching on all surfaces going down the barrel, actually wobbles a little bit as it goes through the barrel. As a consequence, it is difficult to have it strike the same places every time that it goes through the barrel. So that the—the match on the—on the projectiles was extremely difficult.

I did find, however, that on the driving edge of the lense there were certain groups of lines which I could match on one bullet. I wasn't able to identify the others, although there was nothing to exclude them insofar as the class characteristics. All of them could have been fired in that particular weapon.

CRONKITE. One of the bullets that killed Officer Tippit was fired in Oswald's revolver. The other three could have been, according to the ballistics identification expert. Ted Callaway went to the police station that night and made a positive identification of Oswald in a line-up. But Mr. Benavides did not do so. Eddie Barker asked him if he were sure Oswald did the shooting.

BARKER. Is there any doubt in your mind that Oswald was the man you had seen shoot Tippit?

BENAVIDES. No, sir, there was no doubt at all. I could even tell you how he combed his hair and the clothes he wore and what have you, all the details. And if he had a scar on his face, I could probably have told you about it, but—you don't forget things like that.

CRONKITE. The answer to this question, despite the problem of the ballistic evidence, is that Lee Harvey Oswald shot J. D. Tippit.

What of the theory that Tippit actually knew Oswald? It's not easy to prove that someone did not know someone else. But every attempt to pin down the rumor that the two men knew each other has ended in failure. There is nothing in the circumstances surrounding Tippit's death to suggest any kind of conspiracy. Mrs. Tippit says flatly that neither she nor her husband knew Oswald. Officer Jackson was among Tippit's closest friends and had been for years. Eddie Barker put the question to him.

BARKER. Do you have any reason to believe that Office Tippit knew Lee Harvey Oswald.

JACKSON. I don't believe there is a possible connection at all. No. I don't think that he knew Oswald.

BARKER. Did you know Oswald?

JACKSON. No, I didn't either.

RATHER. Thirty-five minutes after Officer Tippit's murder Oswald was captured in the Texas Theatre. Johnny Brewer, a shoe clerk, had spotted him in the doorway, and watched while he slipped into the theatre. Brewer spoke to the cashier. She called police.

The next 48 hours were filled with confusion. An army of newsmen jammed into the Dallas Police Building. Oswald was paraded through the halls, to and from questioning sessions.

Police Chief Jesse Curry and District Attorney Henry Wade said repeatedly they expected to prove Oswald guilty, although he maintained to the last he was not.

No record was made of his interrogation.

Sunday, November 24th, the mob scene continues, as Oswald is brought into the basement of the Police Building for transfer to the jail. And then, in full sight of millions of television viewers, a man named Jack Ruby surges through the crowd and shoots Lee Oswald dead.

CRONKITE. Why? A fateful meeting of deranged minds? Or some twisted conspiracy? Why did Ruby kill Oswald?

RATHER. This is the world of Jack Ruby. A world of neon and female flesh, of bumps and grinds, and watered drinks.

Ruby operated a pair of sleezy nightclubs, The Carousel and The Vegas. In the free and easy atmosphere that seemed to characterize the boom city Ruby was also a hanger-on of the police, entertaining off-duty officers in his strip joints, often carrying sandwiches over to the Police Building for his on-duty friends.

These are some of the people of Jack Ruby's world—his roommate, a competing nightclub owner, and two of Jack Ruby's girls.

Mr. Weinstein, why do you think Jack Ruby shot Lee Harvey Oswald?

BARNEY WEINSTEIN. I think it was on the spur of the moment, that he really wanted to make himself look like a big man. And he thought that would make him above everybody else, that the people would come up and thank him for it, that people would come around and want to meet him and want to know him, "This is the man that shot the man that shot the President."

RATHER. Why do you think Jack shot Oswald?

ALICE. Oh, I think that it was mostly an impulsive act. And Jack also, I believe, felt that so many people at the time were saying, "They ought to kill him," and this and that, that he—in my personal opinion, Jack thought this would just bring him a—a sensational amount of business, and he would just really be a hero.

RATHER. Diana, why do you think Jack shot Oswald?

DIANA. I think that he came down there just to see what was going on, and when he saw that sneer on Oswald's face—that's all it would take to snap Jack, the way Oswald's mouth was curled up, you could even see it in the picture. I think when he saw that look was when he decided to shoot him. Not when he was coming down. And I think he did it because he thought that it was a service to his country, in his way of thinking. That was the way he thought.

GEORGE SENATOR. I don't believe that Jack Ruby ever took any secrets to his grave. I've been—I've been around him too long, and I've lived with him too long. And I'm certain he told the truth right up until his death. And I never can be—and I'll never be convinced otherwise. There is nothing he ever hid. The public knew everything he ever said, or heard.

CRONKITE. Jack Ruby was convicted of the murder of Oswald, but the conviction was reversed by an Appeals Court which held that an alleged confession should not have been admitted.

Ruby died six months ago of cancer, maintaining to the last that he was no conspirator, that he had killed Oswald out of anger and a desire to shield Jacqueline Kennedy from the ordeal of a trial at which she would have had to appear as a witness.

Dallas police had alerted the press that Oswald would be moved to the County Jail shortly after 10:00 AM on November 24th. That departure was delayed. Yet a receipt shows that Ruby was sending a money order to one of his strippers from a Western Union office across from the courthouse at 11:17 AM, when anyone premeditating murder in the courthouse basement would already have stationed himself there. In fact, it was probably the activity around the courthouse entrance which caught Jack Ruby's eye as he left the Western Union office. Ruby was carrying a pistol because he was carrying money. He was accustomed to wander in and out of the Police Building at will.

The Oswald murder today still appears to have been not a conspiracy, but an impulse—meaningless violence born of meaningless violence.

But the most recent, most spectacular development in the Oswald case involves the C.I.A. It involves, too, the spectacular District Attorney of New Orleans, a man they call the Jolly Green Giant. It involves an arrest, hypnotism, truth serum, bribery charges, and, for the first time, an outline of a conspiracy. It certainly accounts for the recent national upsurge of suspicion concerning the conclusions of the Warren Report. And it raises a new question: Was the assassination plotted in New Orleans?

Mike Wallace reports.

WALLACE. New Orleans District Attorney Jim Garrison quietly began his own investigation of the assassination last fall. In a sense, he picked up where the Warren Commission had left off. Warren investigators questioned a number of people in New Orleans after the assassination, and they failed to implicate any of them. But the more Garrison went back over old ground apparently, the more fascinated he became with the possibility that a plot to kill President Kennedy actually began in New Orleans. By the time the story of his investigation broke

four months ago he seemed supremely confident that he could make a case, that he had solved the assassination.

GARRISON. Because I certainly wouldn't say with confidence that we would make arrests and have convictions afterwards if I did not know that we had solved the assassination of President Kennedy beyond any shadow of a doubt. I can't imagine that people would think that—that I would guess and say something like that rashly. There's no question about it. We know what cities were involved, we know how it was done in—in the essential respects. We know the key individuals involved. And we're in the process of developing evidence now. I thought I made that clear days ago.

WALLACE. He shocked New Orleans four months ago by arresting the socially prominent Clay Shaw, former director of the New Orleans International Trade Mart.

Garrison's charge was that Shaw had conspired with two other men to plot the assassination of President Kennedy. Garrison said Shaw had known David Ferrie, an eccentric former airline pilot who was found dead a week before Garrison had planned to arrest him. Incidentally, the coroner said Ferrie died of natural causes. But Garrison called it suicide.

He said Shaw also knew Lee Harvey Oswald; that Ferrie, Oswald, and Shaw met one night in the summer of 1963 and plotted the President's death. Clay Shaw said it was all fantastic.

SHAW. I am completely innocent of any such charges. I have not conspired with anyone, at any time, or any place, to murder our late and esteemed President John F. Kennedy, or any other individual. I have always had only the highest and utmost respect and admiration for Mr. Kennedy.

The charges filed against me have no foundation in fact or in law. I have not been apprised of the basis of these fantastic charges, and assume that in due course I will be furnished with this information, and will be afforded an opportunity to prove my innocence.

I did not know Harvey Lee Oswald, nor did I ever see or talk with him, or anyone who knew him at any time in my life.

WALLACE. A preliminary hearing for Shaw was held two weeks after his arrest. The hearing was complete with a surprise mystery witness, Perry Raymond Russo, twenty-five-year-old insurance salesman, and friend of the late David Ferrie. Through three days of intense cross-examination Russo held doggedly to his story, that he himself had been present when Shaw, Ferrie, and Oswald plotted the Kennedy assassination. Russo admitted at the hearing that he had been hypnotized three times by Garrison men.

A writer for The Saturday Evening Post said he read transcripts of what went on at those sessions. The writer suggested that Russo's entire performance at the hearing was the product of post-hypnotic suggestion. Clay Shaw was ordered held for trial. It could be months before the trial actually takes place.

Meanwhile, various news organizations have reported serious charges against Jim Garrison and his staff, alleging bribery, intimidation, and efforts to plant and/or manufacture evidence against Shaw. Last month Newsweek Magazine said Garrison's office had tried to bribe Alvin Beauboeuf, the twenty-one-year-old former friend of David Ferrie. Beauboeuf, the magazine said, was offered three thousand dollars to supply testimony that would shore up the conspiracy charge against Shaw.

Garrison promptly released an affidavit Beauboeuf had signed. The affidavit said no one working for Garrison had ever asked Beauboeuf to tell anything but the truth.

Subsequently, New Orleans police investigated the Beauboeuf charge and said Garrison's men had been falsely accused. But that was just the beginning. Three more bribery accusations have since come to light, two involving Louisiana prison inmates, one involving a nightclub and Turkish Bath operator. In each of those cases the charges that rewards were offered in return for allegedly false testimony or other help that would implicate Clay Shaw. We will hear Garrison's comment on those charges later in the broadcast.

Meanwhile, Garrison has gone on to include Jack Ruby in the alleged conspiracy involving Shaw and Lee Harvey Oswald. Garrison says Jack Ruby's unlisted telephone number in 1963 appears in code in address books belonging to Shaw and Oswald. He says both books note the Dallas Post Office box number 11906. Ruby's unlisted phone number was WHitehall-1 5601. And Garrison furnished a complicated formula for converting PO 11906 to WH-1 5601.

Louisiana Senator Russell Long, appearing on Face the Nation a few days later, explained how the code works.

LONG. So if you take the P and the O, and you use a telephone dial, P gives you seven, O gives you six. You add seven and six together and you get thirteen. Then you take the 19106, and you work on a A B C D E F—the A B C D E basis, so you put A—A falls—comes ahead of E. Then you put D behind C. And you reconstruct the numbers, and that—and then you subtract thirteen hundred, which you got for the P O, and that gives you Ruby's unlisted telephone number.

WALLACE. A Dallas businessman named Lee Odom had that Dallas Post Office box for a while in 1966. He said he didn't know how the number got in Oswald's address book, but he could explain how it got in Shaw's. Odom said he met Shaw when he went to New Orleans looking for a place to hold a bloodless bullfight.

ODOM. When I got to New Orleans, and I got there—it was late, and so I wanted to see what New Orleans—my first trip to New Orleans. And I went to Pat O'Brien's, and that's where I met Mr. Shaw. I was sitting, drinking at the bar, and he was sitting next to me, and I got to talking to him about the—if he thought a bullfight might go over good in—in New Orleans. And he said that he thought it would, and we introduced each other. He was in the real estate business, and said he might be able to help me. So the next day, why, we had lunch together, and tried to find out about a place to have a bullfight. Made two or three phone calls, and—we didn't find any place. So when I got ready to leave there, I give him my name and my box number, which I saw him write in his little book. And I never heard from him after that. But that's how the number got in the book.

WALLACE. The number 19106 does appear in Oswald's address book, although some say the letters in front of it are not P O, but Russian letters. No one knows when Oswald made the entry.

Garrison has expanded the scope of his charges to include not only a Shaw-Oswald-Ruby link, but the C.I.A. as well. Further, Garrison says he knows that five anti-Castro Cuban guerrillas, not Lee Harvey Oswald, killed President Kennedy. He says the C.I.A. is concealing both the names and the whereabouts of the Cubans.

In an interview with Bob Jones of WWL-TV, New Orleans, he discussed proof that the guerrillas were there at Dealey Plaza in Dallas.

GARRISON. We have even located photographs in which we can—we have found the—the men behind the grassy knoll, and the—and the stone wall, before they dropped completely out of sight. There were five of them. Three behind the stone wall, and two behind the grassy knoll. And they're not quite out of sight. And they've been located in other photographs, by process of bringing them out. Although they're not distinct enough you can make an identification from their faces.

WALLACE. This is one of the photographs Garrison is talking about, shown first with an overlay. Those roughly-drawn figures at the bottom of the page could be the men Garrison believes he sees through the little holes at the top. Now we remove the overlay to see the photograph itself—a hazy blowup of an area from a larger picture. If there are men up there behind the wall, they definitely cannot be seen with the naked eye.

I asked Garrison if he would sort it all out, if he could summarize his investigation, and put it in perspective.

GARRISON. About the New Orleans part, I don't like to sound coy, but it is impossible to talk about the New Orleans details without touching somehow on the case. And I'm not going to take any chances about reflecting on Mr. Shaw, or this case. We've worked too hard for me to ruin it by casual comment.

WALLACE. Four months ago you said that you had solved the assassination. At that time you didn't even know Perry Russo. And yet Perry Russo, it turns out, is your main witness in the preliminary hearing.

GARRISON. Right.

WALLACE. Is he still your main witness?

GARRISON. No.

WALLACE. Are there others?

GARRISON. No. There are others, and I would not describe Perry Russo as the main witness. But let me say this, that the major part of our case, up to that time, was circumstantial. Again, I don't want to touch in any way on the case against the defendant, but we knew months before that the key people involved but there was no basis for moving at that time.

WALLACE. You say that Lee Harvey Oswald did not kill President Kennedy. Who, then, did kill him?

GARRISON. Well, first of all, if I knew the names of the individuals behind the grassy knoll, where we know they were and the stone wall, I certainly would not tell you, and couldn't here. There is no question about the fact they were there. There's no question in our minds what the dominant race of these individuals was. And there's no question about the motive. In the course of time we will have the names of every one of them. The reason for Officer Tippit's murder is simply this: it was necessary for them to get rid of the decoy in the case—Lee Oswald . . . Lee Oswald. Now, in order to get rid of him—so that he would not later describe the people involved in this, they had what I think is a rather clever plan. It's well-known that police officers react violently to the murder of a police officer. All they did was arrange for an officer to be sent out to Tenth Street, and when Officer Tippit arrived there he was murdered, with no other reason than that. Now, after he was murdered, Oswald was pointed to, sitting in the back of the Texas Theatre where he'd been told to wait, obviously.

Now, the idea was, quite apparently, that Oswald would be killed in the Texas Theatre when he arrived, because he'd killed a "bluecoat." That's the way the officers in New Orleans use the phrase. "He killed a bluecoat." But the Dallas police, at least the arresting Dallas police, fooled them because they had, apparently, too much humanity in them, and they did not kill him.

WALLACE. All right, there is Lee Harvey Oswald at the back of the Texas Theatre—then what?

GARRISON. Well, then notification is gotten to the police of this suspicious man in the back of the theatre, and you know the rest. But the—the Dallas police, apparently, at least the arresting police officers, had more humanity in them than the planners had in mind. And this is the first point at which the plan did not work completely. So Oswald was

not killed there. He was arrested. This left a problem, because if Lee Oswald stayed alive long enough, obviously he would name names and talk about this thing that he'd been drawn into. It was necessary to kill him.

WALLACE. That's where Jack Ruby comes into the picture.

GARRISON. That's right. It was necessary for one of the people involved to kill him.

WALLACE. Mr. Garrison, obviously we're not going to try the case of Clay Shaw here on television, but some people, some journalists and others, have charged that you have tried to bribe, to hypnotize, to drug witnesses in order to prove your case against Shaw.

GARRISON. That's right. I understand that the latest—latest news by a New York Times writer is that we offered an ounce of heroin and three months' vacation to one—as a matter of fact, this is part of our incentive program for convicts. We also have six weeks in the Bahamas, and we give them some LSD to get there.

This—this—this attitude of skepticism on the part of the press is an astonishing thing to me, and a new thing to me. They have a problem with my office. And one of the problems is that we have no political appointments. Most of our men are selected by recommendations of deans of law schools. They work 9:00 to 5:00, and we have a highly professional office. I think one of the best in the country. So they're reduced to making up these fictions. We have not intimidated a witness since the day I came in office.

WALLACE. One question is asked again and again: Why doesn't Jim Garrison give his information, if it is valid information, why doesn't he give it to the Federal Government? Now that everything is out in the open the C.I.A. could hardly stand in your way again, could they? Why don't you take this information that you have and cooperate with the Federal Government?

GARRISON. Well, that would be one approach, Mike. Or I could take my files and take them up on the Mississippi River Bridge and throw them in the river. It'd be about the same result.

WALLACE. You mean, they just don't want any other solution from that in the Warren Report?

GARRISON. Well, isn't that kind of obvious? Where do you think that pressure's coming from that prevents witnesses and defendants from being brought back to our state?

WALLACE. Where is that pressure coming from?

GARRISON. It's coming from Washington, obviously.

WALLACE. For what reason?

GARRISON. Because there are individuals in Washington who do not want the truth about the Kennedy murder to come out.

WALLACE. Where are those individuals? Are they in the White House? Are they in the C.I.A.? Are they in the F.B.I.? Where are they?

GARRISON. I think the probability is that you'll find them in the Justice Department and the Central Intelligence Agency.

WALLACE. You're asking a good many questions, but you haven't got the answers to those questions. You have a theory as to why indeed the President might have been assassinated by a group of dissidents. . . .

GARRISON. No. Your statement is incorrect. We have more than a theory. We have conversations about the assassination of the President of the United States, and it does not include only the conversation brought out at the preliminary hearing.

We have money passed, with regard to the assassination of the President of the United States. We have individuals involved in the planning. And we can make the case completely. I can't make any more comments about the case, except to say anybody that thinks it's just a theory is going to be awfully surprised when it comes to trial.

WALLACE. Garrison says Clay Shaw used the alias Clay Bertrand, or Clem Bertrand. At Shaw's preliminary hearing Perry Russo testified that Shaw used the name Clem Bertrand the night of the alleged meeting to plot the assassination. It was obviously a crucial point in Garrison's presentation at that hearing.

But a week ago NBC said it has discovered that Clay Bertrand is not Clay Shaw. NBC said the man who uses that alias is a New Orleans homosexual, whose real name—not disclosed in the broadcast—has been turned over to the Justice Department.

CRONKITE. Garrison's problems multiplied yesterday. His chief aide, William Gurvich, who conferred recently with Senator Robert Kennedy, abruptly resigned.

Gurvich was questioned by Bill Reed, News Director of WWL-TV, New Orleans, and CBS News reporter Edward Rabel.

RABEL. Mr. Gurvich, why did you resign as Mr. Garrison's chief aide in this investigation?

GURVICH. I was very dissatisfied with the way the investigation was being conducted, and I saw no reason for the investigation—and decided that if the job of an investigator is to find the truth, then I was to find it. I found it. And this led to my resignation.

RABEL. Well, what then is the truth?

GURVICH. The truth, as I see it, is that Mr. Shaw should never have been arrested.

RABEL. Why did you decide to see Senator Robert Kennedy?

GURVICH. Ed, I went to Senator Kennedy because he was a brother of the late President Kennedy, to tell him we could shed no light on the death of his brother, and not to be hoping for such. After I told him that, he appeared to be rather disgusted to think that someone was exploiting his brother's death, and—by bringing it up, over and over again, and doing what has been done in this investigation.

REED. There's been talk of allegations, of wrong-doing, of coercion, of possible bribery on the part of investigators—of certain investigators for the District Attorney. To your knowledge, are these allegations true?

GURVICH. Unquestionably, things have happened in the District Attorney's Office that definitely warrants an investigation by the Parish Grand Jury, as well as the Federal Grand Jury.

REED. Would you say these methods were illegal?

GURVICH. I would say very illegal, and unethical.

REED. Can you give us any specifics?

GURVICH. I would rather save that for the Grand Juries, Bill, if I may.

REED. Is this on the part of just one or two investigators, or does it involve the whole staff, or perhaps Mr. Garrison . . .

GURVICH. It involves more than two people.

REED. More than two people. Do you believe Mr. Garrison had knowledge of these activities?

GURVICH. Yeah—of course, he did. He ordered it.

REED. He ordered it?

GURVICH. He ordered it. Yes, sir.

RABEL. Why did he feel it was necessary to order such activities?

GURVICH. That I cannot explain. I am not a psychiatrist.

REED. Mr. Garrison said the C.I.A. has attempted to block his investigation . . .

GURVICH. His purpose for bringing the C.I.A. in, Bill, is this: As he put it, they can't afford to answer. He can say what he damn well pleases about that agency, and they'll never reply.

CRONKITE. Mr. Garrison is the only critic who has been in a position to act on his beliefs. He has brought Clay Shaw before the courts of Louisiana, and until that case is tried we cannot, with propriety, go deep into the details of the evidence, or reach any final conclusions concerning the case or the allegations concerning Clay Shaw.

Mr. Garrison's public statements, however—and there's been no shortage of them—are fair targets. They have consistently promised startling proof, but until the trial Mr. Garrison's promises remain just that, and cannot be tested.

But the whole atmosphere of his investigations, and the charges that have been made by news organizations concerning it, are not such as to inspire confidence. It may be that Garrison will finally show that there was a lunatic fringe in dark and devious conspiracy. But, so far, he has shown us nothing to link the events he alleges to have taken place in New Orleans, and the events we know to have taken place in Dallas.

Those events, events surrounding the assassination itself, we have now examined to the best of our ability. On Sunday night we considered whether Lee Harvey Oswald had shot the President. We concluded that he had. Last night we asked if there was more than one assassin. We concluded there was not, and that Oswald was a sole assassin.

Tonight we've asked if there was a conspiracy involving perhaps Officer Tippit, Jack Ruby, or others. The answer here cannot be as firm as our other answers, partly because of the difficulty, cited in the Warren Report, of proving something did not happen. But partly, too, because there remains a question as to just what Jim Garrison will produce in that New Orleans courtroom.

But on the basis of the evidence now in hand at least, we still can find no convincing indication of such a conspiracy. If we put those three conclusions together, they seem to CBS News to tell just one story—Lee Harvey Oswald, alone, and for reasons all his own, shot and killed President Kennedy. It is too much to expect that the critics of the Warren Report will be satisfied with the conclusion CBS News has reached, any more than they were satisfied with the conclusions the Commission reached.

Mark Lane, for example, the most vocal of all the critics, has a theory of his own.

BILL STOUT. If you would give us, briefly, Mr. Lane, your version of what happened there that day.

LANE. Well, I think—if I can use this model, I think the evidence indicates—of course, the car came down Main, up here, and down to Elm Street, and was approximately here when the first shot was fired. The first shot struck the President in the back of the right shoulder, according to the F.B.I. report, and indicates therefore that it came from some place in the rear—which includes the possibility of it coming from the Book Depository Building.

The second bullet struck the President in the throat from the front, came from behind this wooden fence, high up on a grassy knoll. Two more bullets were fired. One struck the Elm—the Main Street curb, and caused some concrete, or lead, to scatter up and strike a spectator named James Tague in the face. Another bullet, fired from the rear, struck Governor Connally in the back. As the limousine moved up to approximately this point, another bullet was fired from the right front, struck the President in the head, drove him—his body, to the left and to the rear, and drove a portion of his skull backward, to the left and to the rear. Five bullets, fired from at least two different directions, the result of a conspiracy.

CRONKITE. An even more elaborate account is given by William Turner, a former F.B.I. agent, who has become a warm supporter of District Attorney Garrison.

TURNER. Now, what happened there was that the Kennedy motorcade coming down there, the Kennedy limousine—there were shots from the rear, from either the Dallas School Book Depository Building, or the Dell Mart, or the courthouse; and there were shots from the grassy knoll. This is triangulation.

There is no escape from it, if it's properly executed.

I think that the massive head wound, where the President's head was literally blown apart, came from a quartering angle on the grassy knoll. The bullet was a low velocity dum-dum mercury fulminate hollow-nose, which were outlawed by The Hague Convention, but which are used by paramilitary groups. And that the whole reaction is very consistent to this kind of weapon. That he was struck, and his head—doesn't go directly back this way, but it goes back and over this way, which would be consistent with the shot from that direction, and Newton's Law of Motion.

Now, I feel also that the escape was very simple. Number one, using a revolver or a pistol, the shells do not eject, they don't even have to bother to pick up their discharged shells. Number two, they can slip—put the gun under their coat, and when everybody comes surging up there they can just say, "He went that-a-way." Very simple. In fact, it's so simple that it probably happened that way.

CRONKITE. In the light of what we have exposed over the past three evenings, it's difficult to take such versions seriously. But unquestionably there are those who will do so, and it is their privilege.

Our own task is not yet over. We must still ask whether the Warren Commission did all that was asked of it, whether other arms of the government acted as they should have acted, whether another commission might cast new light upon the assassination. We must ask also whether there are fundamental and profound human reasons for the aura of disbelief that surrounds the Warren Report. We will deal with all those matters tomorrow night, in the last portion of this inquiry.

But this is a natural moment to pause, and to sum up what we think we have learned.

Dan, you were in Dealey Plaza on the day of the assassination. You've been back there several times since, when we did the first Warren Report, and now in recent days to prepare this report. You've been up in that window. We've looked out that window with you. But, subjectively, what is the Oswald-eye view of the assassination site?

RATHER. It was an easy shot. A much easier shot than even it looks in our pictures. The range was such, the angle was such, that it did not take an expert shot, one man, to do what the Warren Commission says was done from there.

CRONKITE. Eddie, as News Director of our esteemed affiliate, KRLD-TV in Dallas, you've been right in the vortex of this thing since the moment of the assassination. What about the people of Dallas themselves? Do they agree with the Warren Commission Report?

BARKER. Walter, I think that on a cross-section basis, the percentage that had some doubt about it would be about what it would be across the country. Certainly there are people who have some doubts about it. But most of the doubters, I think, are those who come to Dallas, and who come into our newsroom, as a matter of fact. They bring a lot of questions. But so far none of them have brought any answers.

CRONKITE. That's the problem we all have, isn't it? And let me ask each of you in turn this question: Are you contented with the basic finding of the Warren Commission?

RATHER. I'm contented with the basic finding of the Warren Commission, that the evidence is overwhelming that Oswald fired at the President, and that Oswald probably killed President Kennedy alone. I am not content with the findings on Oswald's possible connections with government agencies, particularly with the C.I.A. I'm not totally convinced that at some earlier time, unconnected with the assassination, that Oswald may have had more connections than we've been told about, or that have been shown. I'm not totally convinced about the single bullet theory. But I don't think it's absolutely necessary to the final conclusion of the Warren Commission Report. I would have liked more questioning, a more thorough going into Marina Oswald's background. But as to the basic conclusion, I agree.

CRONKITE. Eddie?

BARKER. I agree with it, Walter. It's too bad, of course, that Oswald didn't have his day in court. But I felt the night of November 22nd that he was the one who had shot the President, and nothing has come to light since then to change my opinion a bit.

CRONKITE. It is difficult to be totally content. Yet experience teaches all of us that any complex human event that is examined scrupulously and in detail will reveal improbabilities, inconsistencies, awkward gaps in our knowledge. Only in fiction do we find all the loose ends neatly tied. That is one of the ways we identify something as fiction.

Real life is not all that tidy. In 1943 Lieutenant John F. Kennedy came under enemy fire behind Japanese lines in the Pacific. His PT boat was destroyed. His back, already weak, was re-injured. Yet he swam three miles, towing a wounded shipmate, found shelter on an island, escaped Japanese search, encountered natives who carried messages back to American forces, crossed undetected through enemy waters as enemy planes hovered overhead, and survived to become President.

The account of his survival is full of improbabilities, coincidences, unknowns. So is the account of his death. So would be the account of your life, or mine, or the life of any one of us.

Concerning the events of November 22nd, 1963, in Dealey Plaza, the report of the Warren Commission is probably as close as we can ever come now to the truth. And yet if the Warren Commission had acted otherwise three years ago, if other government agencies had done differently then, would we today be even closer to the truth?

Tomorrow we will consider not the assassination, but the work of the Commission that was appointed to study it. For the first time a member of that Commission, John J. McCloy, will publicly discuss its work and its findings. Members of the Commission staff, and one of the Commission's most persuasive critics, Edward J. Epstein, will be heard. And we will ask, although we may not be able to answer, two last questions:

Should America believe the Warren Report?

Could America believe the Warren Report?

This is Walter Cronkite, with Dan Rather and Eddie Barker.

Goodnight.

ANNOUNCER. This has been the third of a series, CBS News Inquiry: "The Warren Report." The fourth part will appear tomorrow night at this same time.

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## NO INSURANCE, NO BUSINESS

Mr. SMATHERS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an article entitled "No Insurance, No Business," by Eliot Janeway, and published in the Washington Evening Star of August 7. Mr. Janeway is an excellent economist. All of the arguments which he makes in his article support the need for immediate passage of my bill, S. 1484, which would set up a Small Business Crime Protection Insurance Corporation. I hope Congress will move quickly on this legislation. I commend to the reading of Senators the fine arguments of Mr. Janeway in its favor.

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

NO INSURANCE, NO BUSINESS

(By Eliot Janeway)

NEW YORK.—The disaster in Detroit has uncovered a problem common to all our cities which is threatening them with a blight more cancerous than violence. Even where the volcano of urban disorder merely seethes and does not erupt, the fear that it may has become a clear and present danger to normal neighborhood commerce.

Insurance against fire, casualty, and theft is as rudimentary a cost of doing business as hiring labor, buying merchandise, and burning electricity. Like every other cost of doing business, it is passed through onto the cost of living. The cost of insuring stores and the goods in them is going up—as the cost of insuring cars for youngsters under 25 did several years ago.

But higher costs for insurance companies and store-keepers, and higher prices for their customers, can be the smaller part of the problem. Suppose insurance is not to be had at any price. Suppose insurance companies decide to cut their losses by classifying risks in urban jungle centers as uninsurable. And suppose a trend starts among local merchants to take their beating and close up shop.

The business incentives to do so are obvious, and so are the economic consequences. For years before the outbreak of jungle war in our cities, it was an axiom of investment analysis that fire and casualty companies lost money on their insurance operations, and relied on their investment earnings to make out. But now damage losses are skyrocketing, while investment grade securities are not.

The fire and casualty companies can make money simply by shrinking back their high-risk policies and letting their money work for them—instead of disrupting their investment earnings on making good their underwriting losses.

Although insurance represents just a nominal cost of doing business, no one dares do business without it. Big businesses won't, and small businesses can't. The neighborhood business man has his working capital tied up in his inventory. The small distributor supplying the local retailer has his working capital, in turn, tied up in customer's receivables.

If a small business can't insure its inventory, and its premises and improvements, it can't stay in business. If it can't recover on its losses, without delay or litigation, it's out of business. Every local merchant and dealer and service operator who makes the grade is jealous of his standing with the insurance companies, and knows what it is to struggle to establish and maintain it.

Small business keeps big business going because small business means the avenues along which big business moves its products to the retail public. Big business is free to operate at locations it regards as economic. Small business, for better or worse, must take its chances where the customers are. Big business operates with other people's money. But the local shopkeeper whose windows and shelves are on the firing-line in our cities has to operate with his own money on the line.

At the retail end of the economic process, people who live in cities need to be able to trade where they live. The more underprivileged a family is, the less its members can afford to waste time and transportation traveling to shop. People who live in or around troubled areas, when they rent or own their homes, have learned the hard way that empty store fronts ruin neighborhoods as fast as they drain and strain city treasuries.

Insurance is the arterial link between production as it comes out of the factory gate

and moves through the middlemen who store and sell it to the consumer. If violence in the cities cuts this artery, the resultant paralysis could bring on a depression; and the country's business men are running scared that it will.

There is something that can be done. It is simple and, instead of costing the government money, it can actually earn income for the Treasury while it insures the economy. All LBJ need do is copy FDR's anti-depression cure for mortgage foreclosures and apply it to insurance policy cancellations. Mortgage lenders have been using FHA to buy federal reinsurance for mortgages, and insurance underwriters now need a similar facility for buying federal riot reinsurance. This is one presidential proposal Congress would pass quickly.

## THE BLACK CANYON OF THE GUNNISON RIVER, COLO.

Mr. DOMINICK. Mr. President, our Rocky Mountain West is unexcelled by any other area of the world for its scenic grandeur, the majestic beauty of our mountains, and the breathtaking vistas where nature's marvels remain unmarred by the march of modern civilization.

Among the areas in Colorado of great interest to geologists, botanists and students of the evolutionary process which produced our majestic Rocky Mountains is the 50-mile-long Black Canyon of the Gunnison River. Mr. Wallace R. Hansen eloquently describes the many natural wonders of this western Colorado canyon in an article published in the July issue of National Parks magazine. I ask unanimous consent that Mr. Hansen's article be printed in the RECORD.

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

THE LOWER BLACK CANYON OF THE GUNNISON

(By Wallace R. Hansen)

(NOTE.—Mr. Hansen, a geologist with the United States Geological Survey since 1946, is the author of several technical and nontechnical reports on the Black Canyon of the Gunnison.)

Physiographically, botanically, and geologically, the 50-mile-long Black Canyon of the Gunnison River, in west-central Colorado, can be divided along its length into three distinctive sections—upper, middle, and lower. These sections merge gradually with one another, but their differences are well marked. Black Canyon of the Gunnison National Monument, famous for its rugged scenery, embraces about 13 river miles of the middle section of the canyon and its enclosing rims. The upstream part of the middle section, and all of the upper section, were withdrawn from the public domain many years ago as sites for power development now underway. The lower section of the canyon, about 15 miles long and two to three miles wide, is largely undeveloped public land seldom visited and seemingly remote, though only a few miles from Montrose, Delta, and Hotchkiss, Colorado.

Briefly, the tripartite nature of the canyon is dependent chiefly on the form and character of the rims, which in turn depend on the character of the underlying bedrock. Common to all three sections is a precipitous gorge of hard Precambrian rock, renowed in the familiar midle section for its sheer walls and dizzy depths.

In the upper section of the canyon, remnants of a once broader cover of volcanic rocks cap the Precambrian basement and form the uppermost heights of the canyon walls. The rim is uneven and indefinite, merging with higher rolling country back from the rim or, locally on the south, becoming a serrated ridge. But its chief trademark is a near-continuous palisade of resistant volcanic rock forming a line of cliffs, 1000 to 2000 feet above the canyon floor. A thin wedge of sedimentary rocks is preserved locally, but is not well exposed. The canyon has the V-shaped cross-profile of a typical, if exceptionally rugged, mountain stream valley. Its vegetation is identified with the Middle Rocky Mountain transition zone—notably by scrub oak, Douglas fir, blue spruce, aspen, and locally, ponderosa pine.

In the middle section of the canyon, the rim view is dominated by a rather flat skyline formed chiefly of hard Precambrian rocks. The overlying younger sedimentary rocks, being less resistant to erosion, have been stripped back or in places have been removed entirely, as on Vernal Mesa. Where the sedimentary rocks remain, moreover, they are largely concealed by shrubbery and soil. Dense thickets of scrub oak and serviceberry, and local stands of juniper and piñon mantle both canyon rims.

In the lower section of the canyon, flaring walls of bright-colored Mesozoic sedimentary rocks, a thousand feet thick and nearly free of soil, surmount a narrow inner gorge of dark Precambrian granite. The lower section of canyon is eroded into the crest of a broad structural arch or anticline, so that the resistant Dakota Sandstone (Cretaceous), which forms the uppermost canyon rim, slopes away from the canyon in long, barren dip slopes. Other Mesozoic strata, in shades of gray, buff, green, lavender, and red, crop out beneath the Dakota inside the rims, above the inner gorge. Sparse juniper, piñon, yucca, prickly pear, and Mormon tea characterize this section as Upper Sonoran; the over-all aspect of cliffs, rocks, and plants is familiar to visitors acquainted with the arid Colorado Plateau.

Clearly, the middle section in the national monument preserves the most awesome and dramatic reach of the Black Canyon. Few gorges in the world are its equal. The more verdant upper section, however, is impressive in its own right, and is, perhaps, more beautiful in the eyes of some viewers, especially as it is seen from the north along Colorado Highway 92. But the lower section is by far the most colorful, and it best displays the sedimentary capping of the Gunnison uplift, the geologic setting of the canyon, and the regional structural framework.

Though almost totally undeveloped, the lower section of the Black Canyon has great education-recreation potential, and some form of orderly development seems desirable. A single jeep road extends south into the heart of the area from Smith Fork, which joins the Gunnison in a precipitous gorge of its own. Many scenic vistas and interesting geological relationships are reached from this road, or from short hikes nearby.

Two other jeep roads reach the inner gorge of the Black Canyon, one from the south at Olathe Cut and one from the west. The country around Olathe Cut is spectacular, besides being geologically rewarding. Jeep roads also afford access to many impressive overlooks along the outer Dakota Sandstone rims where the viewer gains a feeling of airy spaciousness not experienced elsewhere in the canyon, chiefly because the lower section of the canyon, though not as deep as sections farther upstream, is two to four times as wide. Along the east rim, the summits of Green Mountain, Black Ridge, and Buttermilk Ridge are particularly rewarding vantage points for views into the canyon and west across it toward the Uncompahgre Valley. Along the west rim, many points reached by jeep provide equally good panoramas.

One of the most appealing attractions of the lower Black Canyon is the Gunnison River itself, whose sparkling water contrasts markedly with the muddy alkaline streams that predominate elsewhere on the Colorado Plateau.

A few good foot trails lead to the canyon floor and the river. From Olathe Cut the river can be reached in half an hour of easy hiking along a trail rich in well-exposed geologic phenomena. With a minimum of development and maintenance this area could become a remembered highlight of any Black Canyon visit. Another scenic trail a few miles to the north reportedly was blazed long ago by the Ute Indians as a shortcut across the lower Black Canyon. Subsequently, it was rebuilt by prospectors probing the Ute Indian fault zone for minerals. This trail now gets light use by fishermen. If access were improved, development of sport fishing in this section could compensate for stream fishing already lost upstream by reservoir impoundments. Good catches of German brown and rainbow trout are presently reported by fishermen equal to the task of hiking in. Large suckers and squawfish are abundant, also.

Fast water and splashy rapids in the Gunnison River occasionally attract a few venturesome river runners. Entrance to the lower canyon is easiest at Olathe Cut; exit, at the mouth of the North Fork, three miles downstream from Smith Fork. Float trips through the lower canyon, though arduous, are exciting and memorable. The two-and-a-half mile stretch below Crystal Creek is the most difficult. Below Smith Fork, several scenic miles of canyon are well suited to the gentler sport of canoeing. Optimum river flow for floating in the lower Black Canyon is around 600 to 800 cubic feet of water per second. At lower stages, countless rocks appear, and at higher stages the current increases dangerously in velocity. But in the calm waters near Smith Fork, canoeing should be feasible at any stage of the river.

Perhaps foremost in education-recreation potential, the lower Black Canyon offers a rare opportunity for the canyon visitor to acquaint himself with the fascinating facts of earth history. Dramatically faulted rocks, unusually well exposed in a spectacular physiographic setting, assure an easy grasp of the geologic principles involved. Recreation planners might well take a long look at this undeveloped national asset.

The Black Canyon of the Gunnison owes its existence to entrenchment of the Gunnison River, quite by chance, into the once-buried "core" of the Gunnison uplift. Several independent factors operating through geologic time conspired to make the canyon possible, but the basic concept is simple: The Gunnison River, in eroding downward through a cover of volcanic rocks and gravels in late Tertiary time—perhaps a few million years ago—encountered the buried Precambrian "core" of the uplift, and had no alternative but to erode its canyon downward into the hardest of rocks. In so doing it also exposed to view many long chapters of geologic history. No single section of the canyon retains the whole story, but the chapters that remain are most easily read and understood in the lower part of the canyon, where the stratigraphy is most complete and bedrock exposures are the best.

Aside from the fortunate accident of canyon erosion, the singularly good exposure of stratified Mesozoic rocks in the lower Black Canyon is due to the relative aridity of the climate in that reach of the canyon as compared with areas upstream only a few miles away at higher altitudes. Rainfall probably seldom exceeds 8 inches per year. The soil and vegetation are thin, and an unusual opportunity to examine the rocks is thus presented to the viewer. From the Entrada Sandstone at the base of the sedimentary rock sequence to the Dakota at the top, details of lithology and bedding are remarkably well shown by excellent exposures along the canyon walls. A striking feature here is

the great unconformity between the Entrada Sandstone and the Precambrian granite, a thin line along the cliffs representing millions of years of geologic time. The Precambrian itself is equally well exposed in the inner gorge.

WELL-TOLD GEOLOGIC STORY

Good exposures, of course, are commonplace on the Colorado Plateau, and in this sense the lower Black Canyon is not unique. Its chief distinction is its twofold combination of well-exposed and clear-cut relations of Mesozoic stratigraphy to the form and history of the Gunnison uplift, and a very straightforward expression of large faults, their displacements, and their topographic expression.

Structurally and topographically, the lower Black Canyon is dominated by the escarpment of the Ute Indian fault zone, a great north-trending line of crustal fractures along which dark Precambrian granite was thrust hundreds of feet up and over the younger sedimentary rocks. More rapid erosion of the soft sedimentary rocks that have been dropped down along the east side of the fault zone has left the harder Precambrian rocks standing as a line of imposing cliffs above Olathe Cut and Crystal Park.

Laterally, and in part vertically, the faults of the Black Canyon pass into monoclines. In other words, crustal adjustments that took the form of faulting in the brittle Precambrian rocks were taken up and absorbed by plastic flowage and bending in the overlying sedimentary rocks. These trademarks of Black Canyon faulting are best seen along the Ute Indian fault zone at Olathe Cut and Crystal Park, where brittle fracturing in the Precambrian rocks (and also in the overlying Entrada Sandstone) passes upward into severe flowage in the gypsiferous Wanakah Formation and into gentler bending in the still higher Morrison, Burro Canyon, and Dakota Formations. Several individual faults display this habit, and total exposure at critical sites leaves little doubt about these structural relationships, even to the untrained eye. One can even extrapolate to say that flexing or folding expressed at the surface in the Dakota and other strata at such places as Black Ridge or Green Mountain almost certainly indicates faulting at depth in the underlying Precambrian.

Most large fault zones, by their very nature, are concealed in the rubble of their own making—shattered rock is highly susceptible to weathering, and soon becomes the site of erosion. To some extent the Ute Indian fault zone shares this quality, but in many places, and near to well-established foot trails, the detritus has been removed from the fault zone as fast as it has accumulated and the actual fault surface is well exposed to view. Here one can get a good idea of the dip of the fault surface, its relations to the adjacent faulted formations, and the direction of slippage along the fault. It is thus seen that the fault surface dips at an agle of 35°–40°, although its overall geometry suggests steeper dips at depth. Geologic evidence also indicates repeated movements on the Ute Indian fault, beginning in Precambrian time and later offsetting rocks of Jurassic and Cretaceous age. The Precambrian movements apparently were much greater than the subsequent ones.

The Precambrian rocks themselves clearly show many instructive features of rock deformation, metamorphism, and igneous intrusion. In Olathe Cut, along the trail down to the river, two sets of intersecting linear structures (wrinkles or microfolds) in glittery mica schist were formed by stresses acting on the rocks in two different directions at different times. The net result is a peculiar washboard-like surface on the outcrop.

In the same area crosscutting quartz veins have been "stretched" and squeezed by solid-rock flowage into strange lenticular forms called "boudinage"—forms linked together in the enclosing schist like sausages or strings of beads. In quartzitic schist nearby, three sets of intersecting joints (fractures) caused by stress release during deformation lend a geometrical appearance to the outcrop, dividing joint-bounded rock fragments into regular polygons. Finally, large pegmatite dikes ramifying through the canyon walls add a spectacular touch to the total display. All these Precambrian features taken together probably are nowhere else better seen in the Black Canyon—certainly nowhere else with as ready access.

Interesting igneous features are exposed along the length of the inner gorge of the canyon between Pitts Meadow on the south and Smith Fork on the north. This part of the Black Canyon transects a large body of Precambrian granodiorite—a gray intrusive rock similar to granite in general appearance, and often referred to as granite, but different in detail. Some of the best exposures of this rock are on Pitts Meadow, a beautiful, but misnamed rocky mesa, standing aloof and isolated in the southern part of the area. Though a visit to Pitts Meadow is rewarding, it is one of the least accessible places in the Black Canyon, and few people have set foot on it.

Mountain-building was in progress while the granodiorite was being emplaced, and the rock has a conspicuous planar structure or layering caused by earth movements during intrusion. The granodiorite also contains many strongly oriented inclusions of rock derived from the roof and walls of the magma chamber, oriented by flowage of the molten rock, and trapped in place when the magma solidified. Some inclusions have sharp well-defined outlines, but many others have vaguee or hazy boundaries, due, no doubt, to incipient melting or to chemical reaction with the magma.

Some ingenious features disclose a clear order of intrusion—while the granodiorite was still plastic it was cut by countless aplite (fine-grained granite) dikes that shared in its deformation. After the aplite and granodiorite had fully solidified, they were cut by pegmatite dikes in two or three separate episodes of injection. Finally, the pegmatite, aplite, and granodiorite were all cut by fractures filled with vein quartz.

Perhaps the most effective way to realize fully the education-recreation potential of the lower Black Canyon and assure its proper development and protection for future generations of Americans would be simply to extend the boundaries of the existing national monument to include the best parts of the adjacent lower canyon. Such an enlargement would harmonize with the interest of our government in fostering the development and protection of areas that can help accommodate the growing demands of the nation for more outdoor recreation space. Inasmuch as most of the lower Black Canyon is undeveloped wasteland in the public domain, such action should present few problems. Alternately, perhaps, the area could be developed by State, local or private capital. Such development, for example, could provide a desirable addition to a state park system.

EXTENT OF THE AREA

About 19,000 acres of land is within the lower Black Canyon area from the downstream boundary of the existing national monument to the plunge of the Precambrian basement below river grade near Smith Fork and between the Dakota Sandstone rims of the outer canyon. Strips of land should be included along the outer rims wide enough to permit construction or improvement of rim drives and overlooks.

Developments within the canyon itself might include improvement and extension of the existing road from Smith Fork south to a junction with the road along Crystal Creek—a distance of 3 or 4 miles, and improvement to all-weather status of the existing road in Olathe Cut.

Foot trails could be improved or extended to the more outstanding geologic sites and to some of the more accessible parts of the inner gorge. With minimal effort an outstanding nature trail could be developed in Olathe Cut. Camp and picnic sites for back packers could be developed along the floor of the inner gorge, especially below Pitts Meadow and along Crystal Park. Many short nature trails could be built from points along the Smith Fork-Crystal Creek road.

In summary, the visitor to the Black Canyon of the Gunnison would come away with a much better appreciation of the geologic history and grandeur of that magnificent area if he had a chance to see the lower segment of the canyon as well as the part upstream in the present monument. Under existing conditions, this is impossible for most people. Properly and imaginatively developed, the lower Black Canyon could help transform what is now a national monument of good caliber to one of truly outstanding value.

## INFLEXIBILITY OF ADMINISTRATION IN VIETNAM WAR

Mr. HARTKE. Mr. President, one of my concerns about the Vietnam war has been and still is the position of inflexibility which the administration seems to take. The apparent policy of continuing escalation until Hanoi announces that she will take the initiative for negotiation is inflexible. The United States, the greatest and most powerful nation of all, cannot become rigid and lose flexibility on Vietnam. Mr. Crosby S. Noyes wrote in a recent issue of the Washington Evening Star:

Solid as support for the war may be in the country, there is little reason to think that most Americans favor a policy of inexorable and relentless escalation in the north, no matter where it leads and no matter what risk it entails.

What they want is an honorable settlement as soon as may be possible. And they will give their allegiance to the party that seems most likely to achieve it.

I ask unanimous consent that the complete article be printed in the RECORD.

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

UNITED STATES MAY BE LOSING FLEXIBILITY ON VIETNAM

(By Crosby S. Noyes)

Is the administration losing its tactical flexibility in the war in Vietnam?

The charge is one of the more serious ones raised so far by Republican presidential hopefuls. Both George Romney and Charles Percy have accused the administration of having become enmeshed in its own rhetoric. The decisions that have been made and the necessity of justifying these decisions are paralyzing our freedom of maneuver, according to this frankly partisan view.

The charge, of course, is vehemently denied by administration officials.

President Johnson is still apparently as determined as ever to "keep his options open." He is still likely to assure his guests at the White House that if they know of any better way of handling the problem in Vietnam he would be delighted to hear it. Secretary of State Dean Rusk still manages to convey the impression of a man with his bag packed and his ear cocked for that long-awaited telephone call from Hanoi.

But the performance, somehow, is becoming less convincing as time goes by. Behind the appearance of pragmatism and reason,

there is an impression of a hardening and a growing unwillingness to consider the options that do still exist.

The current controversy over a new pause in the bombing of North Vietnam is an obvious case in point.

Whether to bomb and what to bomb is perhaps the most important and exclusive option of the U.S. government. The unilateral decision to stop the bombings has been taken twice before when it appeared that there was some reason to think that a pause might result in the opening of negotiations. A good many people believe there is some reason to think this today. But today, quite obviously, the decision is harder to make than it has been in the past.

It is not, of course, just a question of growing inflexibility in the administration. As the American commitment in Vietnam has grown, public attitudes throughout the country, both for and against the war, have grown more rigid.

Today, if a newspaper that wholeheartedly supports our objectives in Vietnam suggests a new bomb pause, it is automatically cheered by the doves and cursed by the hawks with equal lack of reason. Today, it is not a question of what is said, but what it sounds like to people on one side or the other whose minds are firmly made up.

The government admittedly shares this problem. At this stage any change in tactics involves a certain political risk. Anything that looks like change in a fixed policy of maintaining steadily increasing pressure on North Vietnam is certain to provoke howls of indignation from those whose only solution in Vietnam is an unlimited application of military force.

But this has never been—and never should be—the fixed policy of the administration. In fact the major argument being made against a trial suspension of the bombing is simply that it would not work. Hanoi, one is told, is not interested in another bombing pause. There is no reasonable hope that negotiations would result. And there is a lively probability that the Communists would use any respite to improve their military position in the South.

This may be true enough. But the only way to prove it is to try it. The weakness of the argument is that it exaggerates the risk of an experimental suspension of bombing which could be terminated any time, and ignores the risk—and the cost—involved in further escalation.

It also provides an open invitation to Republican critics who will probably have more to say on this matter of flexibility in the months to come. Solid as support for the war may be in the country, there is little reason to think that most Americans favor a policy of inexorable and relentless escalation in the north, no matter where it leads and no matter what risks it entails.

What they want is an honorable settlement as soon as may be possible. And they will give their allegiance to the party that seems most likely to achieve it.

## OFFICIAL BIAS

Mr. FANNIN. Mr. President, according to an article published in Barrons' financial weekly, the Newport News Shipbuilding & Dry Dock Co.'s work stoppage was precipitated, in large measure, by the actions of the personnel of the Equal Employment Opportunity Commission. If this report is correct, this agency coerced the company into signing an agreement which, in effect, called for favoring Negroes in its hiring policies. Thus, the company had to draw up a preferred promotion list consisting almost exclusively of Negroes. This policy of favoritism, not based on ability, is inequality—a step backward.

Moreover, according to the account, the company apprenticeship school was pressured into lowering its admission requirements in order to accommodate Negroes.

This article is most disturbing and points up the irreparable damage that can be done by an agency composed of confused "zealots." This is an example of bureaucratic meddling at its worst.

I submit that the record of the Equal Employment Opportunity Commission should be studied with a view to curbing rather than enlarging its powers. Such an abuse of authority as appears here hardly merits the confidence of Congress. We all deplore racial discrimination and want the law enforced but none of us intended to confer upon a Government agency the power to put into effect a policy of "discrimination in reverse."

Mr. President, I ask unanimous consent that the article from Barron's be printed at this point in the RECORD.

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

OFFICIAL BIAS: A NOTE ON THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

As bureaucrats go these days, the Equal Employment Opportunity Commission has not gone very far. Created in mid-1965 to weed out discrimination in employment based on either race or sex, the agency boasts a budget of only $5.2 million and a staff of 314, smaller respectively than those of the Office of Coal Research and the Federal Crop Insurance Program. Personnel-wise, EEOC has been something of a revolving door: its first chairman, Franklin D. Roosevelt, Jr., quickly resigned to run for Governor; his successor, Stephen N. Shulman, quit after nine months to go into private practice. While the Commission reportedly has received over 15,000 complaints, it has cleared up only a few hundred. "We're out to kill an elephant," Mr. Shulman recently was quoted as saying, "with a fly gun."

In the wrong hands, however, even fly guns can be dangerous. Last Monday Newport News Shipbuilding & Dry Dock Co., the nation's leading builder of naval vesels, suffered the first strike in 81 years of doing business. On the following midnight, a riot, which injured over a score of people and was termed by local police the "worst disorder" in the placid history of Newport News, Va., broke out at the company's main gate. Newspaper accounts of the affair, which interrupted the construction of the world's largest aircraft carrier and led to the personal intervention of the Governor, were scanty at best. The walkout apparently began in protest over relatively minor grievances. However, union officials hinted that "other problems" lurk in the background. A Washington paper reported cryptically that "the issues go deeper."

Somehow nobody has chosen to identify the principal villain of the piece, which is none other than the fly gun-totin' Equal Employment Opportunity Commission. Backed by the firepower of the U.S. Department of Labor, which threatened the shipyard's government contracts, the Commission 18 months ago moved in on management: In particular, the agency coerced Newport News Ship into signing a so-called Conciliation Agreement, which, by pointedly favoring Negroes for future apprentice training and on-the-job promotion, made a new kind of discrimination official policy. "Shipyard in South Induced to Make Up for Past Bias," read the headline. Since then, in the words of an old hand at the yard, EEOC has done its worst to "set black against white, labor against management and disconcert everybody." In the alien world of bureaucracy, size is no measure of virulence.

Labor-management relations at Newport News Ship began to suffer in mid-1965, shortly after the Equal Employment Opportunity Commission set up shop. The company, which does roughly half a billion dollars worth of work per year, largely for the Navy or the subsidized merchant marine, was a logical target. It's also located in the South. The Commission swiftly set about building a case. According to our man in Washington (actually a charming lady named Shirley Scheibla, who was born and raised in Newport News), EEOC that summer began knocking on doors in Negro neighborhoods soliciting complaints of job discrimination. It managed to get 41, which, for one reason or another, ultimately narrowed down to four. Thus armed, EEOC began to negotiate with the company. After months of fruitless discussion, Washington got tough. Pleading a "pattern of discrimination," EEOC took the dispute to the Justice Department. At the same time, Labor Secretary W. Willard Wirtz ordered the newly organized Office of Federal Contract Compliance to crack down on the yard. A week later the company caved in and signed the notorious Conciliation Agreement, which some have called a "landmark in fair employment practices."

That's one way to describe a document which, in barring discrimination, moved to substitute favoritism. Thus, Newport News Shipbuilding agreed to hire an outside "expert in job evaluation . . . who is acceptable to the Commission" to determine whether Negro employes are improperly classified or working at rates set arbitrarily low. To arrive at his findings, the "expert" took a "random sample" of white employment histories, and, if a Negro worker's status lagged behind the resulting profile, he was deemed a victim of discrimination. Presumably to compensate for past sins, the company had to draw up a preferred promotion list consisting solely of Negroes (exceptions had to be cleared with the Commission). As to apprentice training, a company-run school, once the community's pride, was compelled to drastically change its admission practices. Though the number of applicants traditionally has far outstripped the available openings, Newport News Ship undertook to seek recruits in Negro schools and through civil rights groups. It also accepted a quota system under which "the ratio of Negro to white apprentices in any given year should approach the ratio of . . . Negro to white in the labor area."

The first outraged reaction came from the unaffiliated Peninsula Shipbuilders Association, which, though the recognized bargaining agent for most of the 22,000-man work force, was not consulted. Though subsequently made a party to the pact, the union has never overcome its resentment. Two months ago P.S.A., denouncing a Labor Department release on the company's promotion practices as self-serving and false, threatened legal action to set the record straight. The white community—Newport News Ship is far and away the leading local industry—has been equally aggrieved. One graduate of the Apprentice School wrote the local newspaper to protest against the lowering of admission standards to which, he argued, a quota system inevitably would lead. Another reader, the Rev. Richard B. Sisson of Hampton Roads, put the issue squarely in the moral realm. "I am for equal opportunity for all citizens in school, jobs, housing and all other matters. That is why I find the terms dictated by the government to the shipyard odious. The quota system is just as iniquitous as the exclusion of Negroes some have charged the Yard with practicing previously. . . . It will result in very definite de facto discrimination against whites, In-

dians, Asiatics and all other non-Negroes. Two wrongs do not make a right."

Even the Negroes, in whose behalf the whole exercise presumably was launched, have wound up frustrated and angry. Like all demagogues, the Equal Employment Opportunity Commission promised far more than it has been able to deliver. "You need a militancy in this community," Samuel C. Jackson, former NAACP bigwig and current EEOC Commissioner, told an audience in Hampton Roads. Thanks to official action, he added, 5,000 of the company's 5,800 Negro workers would get "substantial raises." Instead, according to the union, such rewards have gone to precisely 155. While trying to mind somebody else's business, moreover, the Commission has failed to attend to its own; some 78 cases of alleged discrimination brought by the union have dragged on far beyond the statutory 60 days. Linwood Harris, Negro co-manager of the Peninsula Shipbuilders Association, represents the voice of the people: "The good the EEOC has done," he told Barron's prior to the strike, "is minute and not worth it because of the bad they've done."

Newport News is a relatively small place (though the company happens to be the sole remaining builder of U.S. capital ships). Yet what has happened there is a matter of national concern. Emboldened by its "success," EEOC is moving aggressively against other leading corporations. President Johnson has asked Congress to grant the agency power to issue cease-and-desist orders. Instead, to judge by the dismal record, we urge the lawmakers to hand down a stop order of their own.

## DISTRICT OF COLUMBIA GOVERNMENT REORGANIZATION

Mr. SPONG. Mr. President, unless one House of Congress passes a disapproval resolution, the President's reorganization plan for the District of Columbia government will go into effect this Friday, August 11.

Washington, D.C., is the ninth largest city in the Nation. It shares in the problems common to all our urban areas. And, it needs new means and help in meeting its problems. The President's proposal is one such means at hand.

The President's proposed reorganization plan would consolidate executive power in a single Commissioner and would authorize a Council to carry out the rule- and regulation-making functions which the Congress over the years has delegated to the three Commissioners. It should be emphasized, I believe, that the reorganization plan will not and cannot change the constitutional authority which the Congress has over the District. Under the reorganization plan, the Congress will continue to have the lawmaking, taxing, appropriations and general oversight authority which it has always had over the District. The single Commissioner and the Council will simply assume the powers which the Congress has delegated to and which the Congress can, at any time, recall from the District government. It is felt that the single Commissioner and the Council will, however, be able to carry out these duties more effectively and more efficiently than the three Commissioners, with their divided executive powers. One Commissioner now is responsible for public safety, another for health and welfare, and a third for public works. The District's problems do not, however, fall neatly into these categories. Instead, they overlap.

I do not believe that the reorganization plan is a panacea for all the District's urban ills, nor do I believe that it is necessarily the only plan which would aid in solving the District's problems. It does, however, present an immediate possibility for improving the operation and effectiveness of the District government. I hope that the Congress will permit the plan to become effective and that the House and Senate District Committees and the House and Senate Appropriations Subcommittees will review the operation of the plan at the end of a 6-month or a year period to determine whether or not it has accomplished its purposes and what modifications might be in order. In light of the fact that almost every major city in the Nation has turned from the commission form of local government, I feel that the Congress should permit the single executive type of government in the District of Columbia. In this way, the District will benefit from having the same type of government which has proved itself in our other urban areas while preserving the special relation which exists between the Congress and the Nation's Capital City. Finally, not only the District itself, but the entire metropolitan area should benefit from a streamlined District government which can work more efficiently with neighboring jurisdictions in solving the problems which overspan political boundaries—problems such as air and water pollution, transportation and communications—all of which require the concerted efforts of various local governmental bodies for solution.

## FLEXIBLE POLICY NEEDED FOR NEGOTIATIONS WITH HANOI

Mr. HARTKE. Mr. President, there is a very practical reason for keeping a flexible policy regarding negotiations with Hanoi, for taking the initiative toward negotiation any time we can. That practical reason is the encouragement of those in Hanoi who are more flexible. The debate in Hanoi is the subject of Mr. Joseph Kraft in his Washington Post article of July 16, 1967. He says:

> Even the most marginal expression of interest in negotiation from Hanoi should be taken seriously in a way that encourages Communist advocates of political settlement to push forward toward the compromise that still offers the only prospect for an early exit to the awful war.

I believe that Mr. Kraft makes a very important point for our consideration. I ask unanimous consent that his entire article be printed in the RECORD.

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

THE DEBATE IN HANOI: UNITED STATES MUST RESPOND TO ANY OVERTURE IN EFFORT TO ENCOURAGE ADVOCATES OF SETTLEMENT

(By Joseph Kraft)

Recurrent signs indicate that among top leaders in Hanoi, even as in Washington and Saigon, there is an active argument about the Vietnamese war. And while the evidence is fragmentary and the policy implications for this country unclear, two conclusions are suggested by the most recent developments in the Hanoi debate.

First, in order to underline the difference between the two wars, it makes sense for the United States to scale down the bombing of North Vietnam as it intensifies military pressure in South Vietnam. Second, since openings for talks are bound to be marginal, it makes sense for this country to approach them in the spirit of what is called the "Trollope Ploy."

The most recent bit of important evidence in the Hanoi debate is a long article by Lt. Gen. Van Tien Dung, the chief of staff of the North Vietnamese army. As might be expected, Gen. Dung presents the case for the prosecution. He wants the war to go on in the worst kind of way.

As a result of the war, Dung claims, North Vietnam has become "more powerful than ever before"; there has been dealt a "serious blow at the modern U.S. Air Force," and the United States has been "driven into political isolation . . . all over the world."

Apart from this big plug for the war, Dung is at great pains to head off any thought of an approach different from the present slogging war of attrition. He asserts over and over again, as the nub of his argument, that the war in the North "will only end when the U.S. local war of aggression in the South is completely defeated."

He writes off the jet aircraft and missiles which the Soviet Union is supplying as "not omnipotent" and "limited." He scouts American offers to talk as "psychological warfare" designed to "spread the illusion about peaceful negotiations."

The extravagance of Gen. Dung's claim for the war combines with the vehemence of his attacks on any other course—and especially on the "illusion of peaceful negotiations"—to convince most American analysts that his article represents one side of the argument in Hanoi. With one side known, it is possible to reconstruct the other side. The more so as Gen. Dung's contemptuous reference to what the Russians can give suggests that they are using their leverage on behalf of the other side.

The other side in the debate, whoever its spokesman may be, apparently begins with the notion that unification might be achieved by political as well as military means. That is what Gen. Dung calls "illusions of peaceful negotiations."

As bait for the political approach, the anti-Dung faction is also apparently arguing that it would be possible to end the American bombing of the North without compromising the struggle in the South. Indeed, it is probably saying that a firm pledge to begin talks could be traded against a cessation of the bombing of the North. That is why Gen. Dung repeatedly asserts that the two wars are inextricably connected.

If this analysis is correct, the American interest is to strengthen the hands of the anti-Dung faction in Hanoi. One good way to do that is to underline its contention that it is possible to separate the war in the North from the struggle in the South. And the obvious way to do that, since it has been decided to intensify the pressure in the South through additional American troops, anyway, is to scale down the bombing of the North at this time.

Even if the anti-Dung faction does get the upper hand, however, the debate is almost certain to be intense and the decision close. Accordingly, any new approach from Hanoi, like all the old approaches, is apt to be hedged and ambiguous. And that is where the "Trollope Ploy" comes in.

The "Trollope Ploy" is a courting device named after the familiar tactics of the novelist's heroines. As described by former Assistant Secretary of State Roger Hilsman, it means interpreting even the faintest squeeze of the hand as something approaching marriage.

As applied to Vietnam, it means that even the most marginal expression of interest in negotiation from Hanoi should be taken seriously in a way that encourages Communist advocates of political settlement to push forward toward the compromise that still offers the only prospect for an early exit to the awful war.

## CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

## WILD AND SCENIC RIVERS ACT

Mr. BYRD of West Virginia. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 476, S. 119.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 119) to reserve certain public lands for a National Wild Rivers System, to provide a procedure for adding additional public lands and other lands to the system, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. BYRD of West Virginia. 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. 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.

### UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, after talking to the distinguished acting minority leader, the Senator from California [Mr. KUCHEL], and the distinguished Senators from Idaho [Mr. CHURCH and Mr. JORDAN], I ask unanimous consent that the vote on the pending business take place at 12 o'clock.

The PRESIDING OFFICER. Does the Senator ask for the waiver of rule XII?

Mr. MANSFIELD. Yes; I do.

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

Mr. MANSFIELD. For the information of the Senate, there will be a yea-and-nay vote on the pending business at that time.

Mr. CHURCH. Mr. President, more than 100,000 miles of full-fledged rivers and major tributaries in the contiguous United States pour their waters down to the sea. Much of this streamflow has been harnessed for flood control, navigation, electric power, and reclamation. Along the bank lands we have erected our cities, established factories and located many of our homes—and in many ways we have mindlessly destroyed the beauty and purity of these streams. The affluent society has built well in terms of economic progress, but has neglected the protection of the very water we drink as well as the values of fish and wildlife, scenic, and outdoor recreation resources. Although often measureless in commercial terms, these values must be preserved by a program that will guarantee America some semblance of her great heritage of beautiful rivers.

Fortunately, there are still some of these wonderful rivers which flow wild and free, or meander in purity and splendor, largely unspoiled by man's handiwork. From the sheer natural beauty of such rivers we draw that physical and spiritual refreshment found only where clean water moves majestically in its own natural environment.

Mr. President, the preservation of certain of these unspoiled, unpolluted, free-flowing rivers is the objective of S. 119, the bill we are now considering. It would establish a national wild and scenic rivers system. Nine rivers or segments of them would be included in the initial system, and 27 other rivers or their segments would be studied for possible future inclusion. Procedure is provided for the addition of other rivers.

With 38 cosponsors, I introduced S. 119 early this year. It was actually a reintroduction of the bill, S. 1446, which was the first measure to pass the Senate at the start of the second session of the 89th Congress. It was familiarly known as the wild rivers bill. Although it passed the Senate by a 71-to-1 vote, the 89th Congress adjourned without the House giving it consideration.

Hearings on the original bill, S. 1446, were conducted in Idaho, Wyoming, and here in Washington by the Senate Interior and Insular Affairs Committee in 1965. This year the committee conducted open public hearings on both S. 119, the wild rivers bill, and on S. 1092, a scenic rivers bill submitted by the administration. The committee voted to report S. 119, as amended, because of various objections to the administration bill. The new S. 119, presented as an amendment in the nature of a substitute, does, however, incorporate a scenic category of rivers or river segments, and certain other provisions of the administration proposal. As the Senators know, wild rivers legislation was requested by the President early in 1965. As far back as 1962, the Outdoor Recreation Resources Review Commission, a bipartisan commission established by the Congress to evaluate the outdoor recreation needs of the Nation, recommended that certain rivers be preserved in their free-flowing state and natural setting without man-made alterations.

In 1963, the Secretaries of Interior and Agriculture initiated a wild rivers study. From more than 650 rivers, 67 were selected for preliminary field reconnaissance by special study teams. Based on this reconnaissance study, segments of 17 rivers and a number of their tributary streams were then selected for more detailed investigation. This detailed study was completed in 1964 and served as a basis for the recommendations contained in the initial wild rivers proposal.

The President, in calling for wild rivers preservation, warned that growth and development could "make the beauty of the unspoiled waterway only a memory."

It was on this foundation of study and interest that I introduced the first wild rivers bill, S. 1446, in March of 1965.

The bill which we now consider, S. 119, has the same thrust of that original bill—to preserve certain rivers in their natural and free-flowing state. But there are numerous refinements. One of these is the double category of rivers, "wild" and "scenic." The definition of a wild river area was revised and the definition of a scenic river was added. Recognition of these two types of rivers means that the national system will be made up of both type rivers, and on certain rivers, there will be both wild and scenic areas.

The Eleven Point River in Missouri was considered in last year's bill to be a wild river, but in this measure is classified as a national scenic river. Recommended for immediate inclusion in the new national system is the St. Croix River in Wisconsin and Minnesota. A bill to create the St. Croix National Scenic Riverway passed the Senate in the last session, but because that river contains segments which fit the definitions of both wild and scenic river areas, it was decided to add it to this bill. The Illinois River in Oregon and the Wolf River in Wisconsin are new additions to the group of rivers recommended for immediate inclusion in the national system. Several new rivers are listed for study as to possible inclusion in the national system at a later date.

Provisions for planning new additions to the system were expanded to require local public hearings on any addition to the system and to allow the State legislatures to make their recommendations known if they so desire.

Provisions were added to encourage the development of State and local wild and scenic rivers and to protect the owners of improved property which may be acquired.

Mr. President, a national wild river area, as defined by S. 119, is one located in a sparsely populated, natural, and rugged environment where the river is free flowing and unpolluted, or where the river should be restored to such condition, in order to promote sound water conservation, and promote the public use and enjoyment of the scenic, fish, wildlife, and outdoor recreation values.

Rivers or segments of rivers which would be designated as wild river areas for the initial system are the Middle Fork of the Salmon and the Middle Fork of the Clearwater in Idaho, including portion of the Lochsa and the Selway, the Rogue and Illinois in Oregon, the Rio Grande in New Mexico, the St. Croix in Minnesota and Wisconsin, and the Wolf in Wisconsin.

Some of these same rivers have segments which are also designated as scenic river areas, including the Rogue and Illinois in Oregon, and the St. Croix in Minnesota and Wisconsin. Other national scenic river areas would be on the Eleven Point in Missouri and the Namekagon in Wisconsin.

A national scenic river area, as defined by the bill, is a river area that is unpolluted and which should be left in its pastoral or scenic attractiveness, or that

should be restored to such condition, in order to protect, develop, and make accessible its significant national outdoor recreational resources for public use and enjoyment.

Twenty-seven rivers or river segments are listed for study for possible future inclusion in the bill.

Mr. President, the administration of the rivers in this system would be by either the Secretary of Interior or Agriculture, or the Secretaries jointly, based upon their administrative areas; or jointly with the States, or States and local governmental agencies, or by the States or local governmental agencies, exclusively. States would be encouraged to cooperate in the planning and administration of such areas where they include State-owned or county-owned lands. The Secretary of Interior is directed to provide technical assistance and advice and to cooperate with States, interstate agencies, political subdivisions, and nonprofit private organizations with respect to establishing wild and scenic river areas.

The bill has been referred to as an extension or corollary of the Wilderness Act, but its provisions are not nearly as restrictive. A national wild or scenic river area will be administered for its esthetic, scenic, historic, fish and wildlife, archeologic, scientific, and recreational features, based on the special attributes of the area. However, it will not prohibit the construction of roads or bridges, timber harvesting and livestock grazing, and other uses that do not substantially interfere with public use and enjoyment of these values. Mining will be allowed to continue, although claims located after the effective date of the act may be subject to regulation to conform to the system, particularly to prevent pollution.

Subsection 5(d) places a limitation on condemnation, by providing that where 50 percent or more of the acreage within the entire national wild or scenic river area is owned by Federal, State or local governments, neither Secretary can condemn for acquisition of fee title but may condemn for scenic easements. The committee approved this limitation because it believed that rivers flowing through this amount of public land could amply provide bank-land areas for public access and facilities without the need for the fee acquisition of property by condemnation.

Under subsection 5(d), wherever the power of condemnation is conferred, the Secretaries are limited to acquiring a maximum of 100 acres per mile on both sides of the stream, tributary, or river, in fee title. Section 5(a) sets the maximum acreage for boundaries of a national wild and scenic river area at 320 acres per mile on both sides of the stream, tributary, or river.

Subsection 5(f) provides that neither Secretary can condemn lands within any incorporated city, village, or borough as long as such entities have in force a duly adopted valid zoning ordinance that is satisfactory to the appropriate Secretary.

It is the intention of the committee that both Secretaries shall encourage local units of government to adopt zoning ordinances which are consistent with the purposes of this act, and that where such valid zoning ordinances are in effect and where there is no need for further Federal acquisition, the appropriate Secretary will suspend acquisition of scenic easements and fee title.

The language contained in subsection 6(f) is intended by the committee to preserve the status quo with respect to the law of water rights. No change is intended. The first sentence states that established principles of law will determine the Federal and State jurisdiction over the waters of a stream that is included in a wild river area. Those established principles of law are not modified by this bill. The third sentence states that with respect to possible exemption of the Federal Government from State water laws, the act is neither a claim nor a denial of exemption. Any issue relating to exemptions will be determined by established principles of law as provided in the first sentence. The second sentence would apply to this legislation the principle of compensation embraced by section 8 of the Reclamation Act of June 17, 1902—32 Stat. 388, 930, found in 43 U.S.C. 383. This means that the Government must pay just compensation for a water right taken for wild river purposes if the water right is a vested property right under established principles of State or Federal law. See *U.S. v. Gerlach*, 339 U.S. 725.

Mr. President, it is estimated that the initial system of rivers established by this bill will cost $40 million over the next 10 years for acquisition and development. This is a small price to pay for such a wonderful recreational treasure. We have an obligation to move now, while there is still time, to save these remarkable waterways. Once they are gone, they will be lost forever.

I commend S. 119 to the Senate as a method of husbanding, for this generation and those of the future, some of our most magnificent wild and scenic rivers before they vanish from the land.

Mr. JORDAN of Idaho obtained the floor.

Mr. JORDAN of Idaho. Mr. President, I am happy to yield to the distinguished Senator from Texas [Mr. YARBOROUGH], if I may do so without losing my right to the floor.

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

Mr. YARBOROUGH. Mr. President, I thank the Senator from Idaho for yielding to me, due to the fact that I am chairman of a subcommittee meeting in executive session. Mr. President, I send to the desk a proposed amendment to S. 119, and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated. The legislative clerk read as follows:

On page 27, between lines 19 and 20, insert the following:

"(28) Rio Grande, Texas—the segment from Presidio to Langtry."

Mr. YARBOROUGH. Mr. President, I commend the Senator from Idaho for his great leadership, through previous sessions and in this session, in bringing this bill to a vote, to try to save for the people of the United States a portion of the natural wildlife habitat of this country. I am grateful to him for having permitted me to be a coauthor, with him, of the pending wild rivers bill.

The amendment I have proposed would add to the list of rivers to be studied as possible national wild river areas the portion of the Rio Grande in Texas from Presidio to Langtry. My intent in wishing the inclusion of this river and in cosponsoring this bill has been so well phrased in a resolution of the Texas Explorers Club enthusiastically supporting this bill, that I would like to quote a part of it. The Texas Explorers Club, a nonprofit conservation group, feels as do I:

> The hasty and inadequately considered damming of our few remaining flowing streams, and the criminal abuse of our few remaining spots of wilderness and natural beauty constitute a stain upon the honor of the United States and must be corrected with all haste.

The amendment that I am proposing, by which a study would be made as to whether a segment of the Rio Grande should be left as a wild river for all to enjoy in its natural unspoiled state, is clearly in accord with the purposes and spirit of Senator Church's bill, S. 119.

That portion of the Rio Grande included in my amendment, from Presidio downstream to Langtry, is west of the Pecos River in Texas, and is bordered half its length by the Big Bend National Park. It traverses the St. Helena and Boquillas Canyons, an area of wild cliffs, bluffs, and canyons.

Justice Douglas has written of these canyons with beauty and feeling in his book published just 2 or 3 months ago, entitled "Farewell to Texas, the Vanishing Wilderness."

Last year, Mrs. Lyndon B. Johnson navigated a portion of one of these canyons with her party on rafts. Even with the assistance of skilled crews, the first lady of the land emerged thoroughly drenched with water, after traversing the beautiful portion of the Rio Grande which runs through one of those wild canyons.

Mr. President, the Rio Grande is the fifth largest river in North America. It is briefly described in the Encyclopaedia Britannica as follows:

> Rio Grande, the fifth longest North American river, has its sources in the snow fields and alpine meadows of the San Juan mountains of southwestern Colorado. It flows southeast and south 175 mi. in Colorado, southerly some 470 mi. across New Mexico, and southeasterly between Texas and the Mexican states of Chihuahua, Coahuila, Nuevo León and Tamaulipas, for about 1,240 mi. to the Gulf of Mexico. The total length (in compromise "river miles") is approximately 1,885 mi.
>
> It starts as a clear Rocky mountain stream, fed by springs at an elevation of more than 12,000 ft., then flows in a canyon through forests of spruce, fir and aspen, into the broad San Luis valley in Colorado, after which it cuts the Rio Grande gorge and White Rock canyon and enters the open terrain of the basin and range and Mexican highland physiographic provinces. There declining elevation, decreasing latitude and increasing aridity and temperature produce a transition from a cold steppe climate with a vegetation of pinion, juniper and sagebrush, to a hot

steppe and desert climate characterized by a vegetation of mesquite, creosote bush, cactus, yucca and other desert plants.

This is the wild rivers part encompassed in my amendment:

The Rio Grande cuts three canyons between 1,500 and 1,700 ft. in depth across the faulted area occupied by the "big bend" where the Texas side of the river is included in the Big Bend National park. In the remainder of its course the river wanders sluggishly across the coastal plain to end in a true delta in the Gulf of Mexico.

This river was formerly called the Rio Grande del Norte. It is officially in the United States the Rio Grande, but it is officially in Mexico the Rio Bravo.

The river, and particularly this section from Presidio to Langtry, is well suited to be designated a scenic or wild river; it has unparalleled natural beauty and recreational activity. Industrial uses of the rivers of our country and of the State of Texas must be balanced with a sensible policy at conserving certain sections of our waterways as unpolluted and undammed sources of pleasure for our citizens. The part of the Rio Grande that would be included in my amendment should probably be left forever as it is. The lovely limestone caverns, the spiraling rapids and whirlpools and the scenic landscape all serve to indicate how vital it is that we keep some of the Rio Grande as a haven for sportsmen and tourists and nature lovers and those who want to see this continent as it was before men carved it up.

This amendment will allow these possibilities to be studied by the Secretary of the Interior and the State government.

Since the Rio Grande forms our southwestern border with Mexico, any comprehensive plan for the conservation of the river such as that offered in this bill would necessitate a Mexican-American agreement on the subject. At present there are no agreements as to development or conservation on this stretch of the river; no change in any plans will be effected by adoption of this amendment. We hope that an agreement on the objectives and means of insuring the natural beauty of the Rio Grande will be easy to achieve after the study contemplated by this bill is completed.

In view of the importance of the Rio Grande both as a border and as a site of naturally beautiful wilderness, I offer this amendment to include it in the list of rivers to be studied for possible addition to the wild and scenic rivers system.

Mr. President, I ask unanimous consent that there be printed at this point in the RECORD a resolution by the Texas Explorers' Club requesting this action; a letter from Bob Burleson of the law firm of Bowmer, Courtney & Burleson., of Temple, Tex., under date of April 7, 1967, and a letter addressed to the Hon. FRANK CHURCH, U.S. Senate, Washington, D.C., by Mr. Davis Bragg, under date of January 21, 1966.

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

A RESOLUTION BY TEXAS EXPLORERS CLUB

Be it resolved by the Texas Explorers Club as follows:

(1) That the Texas Explorers Club, a nonprofit charitable and educational corporation organized under the laws of the State of Texas, does hereby pledge its wholehearted support of two bills now pending before the Senate of the United States of America, to wit: S-119, the Wild Rivers Bill, and S-1092, the Scenic Rivers Act.

(2) That the Texas Explorers Club will make known to our outstanding Senators from the State of Texas, to wit: the Honorable Ralph W. Yarborough and the Honorable John Tower, this organization's sincere belief and deepest conviction that river protective legislation is one of the most pressing needs of our nation today and that the passage of such legislation is absolutely essential to the continued good health, welfare, and moral and spiritual well being of the present and future citizens of these United States of America.

(3) That the hasty and inadequately considered damming of our few remaining flowing streams, the pollution and poisoning of all of our rivers and streams, and the criminal abuse of our few remaining spots of wilderness and natural beauty constitute a stain upon the honor of the United States and must be corrected with all haste.

And be it further resolved by the Texas Explorers Club that the beautiful and unique section of wilderness canyons along the Rio Grande River from the easternmost boundary of Big Bend National Park to the town of Langtry, Texas, should be included within both of the above named bills and any future river protective legislation, and that this area of outstanding natural beauty and remoteness be forever preserved for the use of present and future citizens of the United States as a natural and flowing river, unspoiled by the unnecessary, selfish and destructive works of man.

Unanimously passed and adopted by the members of the Texas Explorers Club at a regular meeting on this the 1st day of April, 1967.

BOB BURLESON,
*President.*

Attest:

JIM D. BOWMER,
*Secretary.*

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BOWMER, COURTNEY & BURLESON,
*Temple, Tex., April 7, 1967.*

Re: River Protective Legislation, Senate Bills S-119, Wild Rivers, and S-1092, Scenic Rivers.

Senator RALPH YARBOROUGH,
*U.S. Senate,*
*Washington, D.C.*

DEAR RALPH: The above bills are due to come up for hearing before the Interior and Insular Affairs Committee early this month. A large number of us from Texas are vitally interested in the eventual passage of some really effective river protection legislation, and these bills are at least a start in the right direction.

Those of us who frequently get out and paddle the streams of Texas are becoming genuinely alarmed at the very rapid progress of destruction and pollution that is turning over formerly beautiful and clean-flowing rivers into sewers. Even more alarming is the fact that eventual plans of several governmental agencies, such as the Corps of Engineers, includes making every stream of consequences in the United States a series of impoundments.

With the increasing pressures of population growth and industrialization, the public legacy of free-flowing streams and wilderness areas is due for destruction—unless immediate and effective steps are taken to prevent their destruction. I do not believe that Americans of fifty years from now will have any natural areas of consequence left for their enjoyment and inspiration, unless the Congress acts now to preserve it for them. The present National Parks are inadequate even now, and cannot hope to meet the needs of the future.

As opposed to all the billions we are spending each year to change the face of the earth and mould it to our present desires, it costs almost nothing to simply let a river, forest or natural area alone. To preserve a clean river, a wilderness stream, a stretch of unique forest, or a significant natural area, all that is necessary is to set it aside and protect it—aside from that it takes care of itself, at no public expense.

I know that you are vitally concerned with preventing the rape of our few remaining public and natural resources in the name of blind progress and private profit. We all hope that you will be able to work for these bills and similar bills designed to salvage a bit of our national heritage before it is gone forever.

Enclosed you will find a copy of a Resolution of the Texas Explorers Club regarding the above bills. I would appreciate your making the same a part of the record in the hearings thereon.

Your friend,

BOB BURLESON.

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CURTIS, DUNCAN & BRAGG,
*Killeen, Tex., January 21, 1966.*

Hon. FRANK CHURCH,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR CHURCH: The section of the Rio Grande River in Texas from Maravillas Creek (The Black Gap Wildlife Management Area owned by the State of Texas) down to the headwaters of the Amistad Lake now under construction near Del Rio is worthy of consideration under your "Wild Rivers" bill.

A group of us floated a substantial portion thereof during the Christmas holidays. From Sunday afternoon, December 26, until Thursday noon following we did not see a human being. There are many rapids, several waterfalls, and unnamed canyons 1500 feet deep or more and up to 30 miles long.

This part of Texas is virtually uninhabited within 10-30 miles of the river along the entire stretch, and may be the only river within 500 miles thereof of sufficient flow to be adventurous to float and not heavily populated adjoining.

I doubt that more than five groups of people float this in any one year, but expect this number to grow in future years. If you would be interested in any photographs of the particular area, those of us who made the recent trip would be pleased to furnish them to your committee.

A copy of this is being mailed to Senator Yarborough, who is being contacted by others of us who were on the recent trip. A map showing the stretch of river involved is enclosed.

Cordially,

DAVIS BRAGG.

Mr. YARBOROUGH. Mr. President, having lived in El Paso, Tex., for 3½ years and having visited this area, I can personally testify from my own personal knowledge as to the importance of its inclusion in the pending bill.

I thank the senior Senator from Idaho [Mr. CHURCH] for sponsoring the bill. I thank the junior Senator from Idaho [Mr. JORDAN] for so graciously yielding to me that I might attend my committee meeting.

Mr. CHURCH. Mr. President, may I say to the distinguished Senator from Texas how much I appreciate the steadfast support he has given the wild rivers bill.

The amendment of the Senator from Texas is certainly acceptable. I think the segment of the Rio Grande that

the Senator described belongs in the study category of the bill.

I am willing to accept the amendment. I congratulate the Senator for having offered it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Texas.

The amendment was agreed to.

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

Mr. JORDAN of Idaho. I yield.

Mr. JACKSON. Mr. President, I take this opportunity as the chairman of the committee to compliment and commend the able senior Senator from Idaho [Mr. CHURCH] for the excellent way in which he has handled a very difficult bill.

This legislation affects all areas of the United States, either in the inclusion of certain rivers in the wild and scenic rivers system immediately, or in the study section for future consideration.

When one undertakes such a task, it is obvious that he is bound to run into problems and difficulty.

The able senior Senator from Idaho [Mr. CHURCH], in my judgment, used the best arts of the legislative process in putting the pending bill in the form in which it is now being presented to the Senate.

Mr. President, I likewise compliment the able junior Senator from Idaho [Mr. JORDAN] for the fine way in which he cooperated in making possible the presentation of the pending bill to the Senate on a unanimous basis from the Committee on Interior and Insular Affairs.

A major portion of the legislation, of course, affects the State of Idaho. The junior Senator from Idaho [Mr. JORDAN] has been extremely helpful in working with the senior Senator from Idaho in the ironing out of a lot of the difficult problems.

As a result, we have a very good bill.

In this connection, I call to the attention of the Senate and to the attention of my colleagues, the Senators from Idaho, that part of the report appearing at the top of page 6, entitled "Balanced Development":

> In its selection of rivers to be included in the initial system of wild and scenic rivers, and in the study group of rivers for possible later inclusion in the system—with a 5-year moratorium on the licensing of dams on the latter—the committee is cognizant that there are many other rivers throughout the United States which may qualify for the system. The bill establishes procedures by which these may be added.
>
> The committee did not review all the rivers of the United States in acting upon this bill. However, the committee did give particular attention to the middle Snake River watershed in Idaho and Oregon. The Middle Fork of the Clearwater and the Middle Fork of the Salmon, both part of the watershed, will become initial streams in the National Wild and Scenic Rivers System established by S. 119. The main Salmon River will be studied for possible future inclusion in the system.
>
> The Middle Fork of the Snake, also an area of great beauty, contains the location of the proposed High Mountain Sheep Dam just above the confluence of the Snake and the Salmon. This is the last undeveloped site on the Snake River for a great storage dam. The committee took cognizance of this fact in not considering inclusion of the Middle Fork of the Snake in the National Wild and Scenic Rivers System. The committee believes that exclusion of this portion of the Snake River watershed is in keeping with a balanced natural resource program.

Mr. President, I should like first to ask my good friend, the junior Senator from Idaho [Mr. JORDAN] his interpretation of this language, and I shall then ask the same question of the senior Senator from Idaho.

Mr. JORDAN of Idaho. Mr. President, in reply to my friend, the distinguished junior Senator from Washington, I believe that the language in the report is significant for several reasons.

First, we designated as wild rivers segments of both the Clearwater and the Salmon that are obviously and unmistakably wild rivers.

We deferred for further study the main stem of the Salmon River because it does have potential multipurpose use that we all recognize.

Then, with respect to the paragraph dealing with the middle fork of the Snake River, that area possibly to be developed by the High Mountain Sheep Dam, or its counterpart, reference is made in the report that the committee expresses its approval for dam development on this last remaining undeveloped stretch of the middle Snake River.

I think it is wise to include this language in the report because it is quite apparent to those of us who live in the region and who serve on the Committee on Interior and Insular Affairs under the able chairmanship of the distinguished junior Senator from Washington that there is need for a balance, for both dam development and wild river designation on the middle Snake and the tributaries to the middle Snake.

Mr. JACKSON. I thank the Senator.

I should like to ask now for the comments of the author of the bill, the senior Senator from Idaho.

Mr. CHURCH. First, I should like to express my appreciation to the distinguished chairman of our committee for the remarks he has made concerning both the work I have done on the measure and the work that my colleague, Senator JORDAN, has done on it. I concur heartily in everything the Senator from Washington has said with reference to Senator JORDAN's efforts in committee to bring this bill to the floor in a form that would win the strong, united support of the Senate.

I have always believed that the Senate Committee on Interior and Insular Affairs had a fundamental interest in the balanced development of the resources of the West. Where rivers are concerned, it is obvious that they make a great economic contribution. There are many rivers that must be used for reclamation and for the generation of power. There are many dams which have been built profitably in the past, and new dams to be built profitably in the future, that will confer multipurpose benefits which the growing economy of the West demands. One such river is the Snake. It has long since been a developed river, with numerous dams on it. The Snake River is the artery that really constitutes the lifeblood of the economy of southern Idaho. It is the river that sustains most of the agriculture in the southern part of our State.

As the Senator from Washington knows, the Snake River furnishes approximately one-fourth of the flow of the Columbia, on which there are such large and important public power dams.

So the committee wanted to make it clear that, in the enactment of the wild rivers bill, it did not intend to reach out, or in any way to prejudice, the necessity for further development on the Snake, a river that is already well developed, where there are some remaining sites of great importance that clearly call for dam construction. One of these, the High Mountain Sheep site, is presently in litigation, and this bill in no way compromises or affects the case for the High Mountain Sheep Dam.

Mr. JACKSON. I believe this is a very important point, because, as we know, the High Mountain Sheep damsite is currently involved in litigation.

I believe it is quite clear by the statement in the RECORD and by the colloquy on the floor that the committee identified in Idaho those areas that should be preserved and those areas that should be studied under the provisions of this bill. We have also indicated that the High Mountain Sheep area—that is, the middle fork of the Snake area—should be available for multipurpose development.

Is that not in essence the position taken by the committee?

Mr. CHURCH. The Senator is correct.

Mr. JACKSON. I believe my good friend, the junior Senator from Idaho, also concurs in that statement.

Mr. JORDAN of Idaho. I do concur.

Mr. JACKSON. In other words, we have made a legislative finding in order to clarify what has been a misunderstanding as to the areas that should be set aside now or studied later for conservation and preservation as wild rivers. It is also true, however, that in areas such as the High Mountain Sheep area on the Snake River we will permit power development, and we are not intending to apply this legislation to this area of the river.

Mr. CHURCH. The Senator is correct. That is precisely the intention of the committee, as I understand it.

Mr. JACKSON. Mr. President, I again wish to compliment the able Senators from Idaho for the statesmanlike way in which they have worked this bill out, and I am certain that the measure will receive the unanimous support of the Senate.

Mr. JORDAN of Idaho. Mr. President, I thank our distinguished chairman, the able Senator from our neighboring State of Washington, for his kind remarks. I commend him, also, for his chairmanship of the committee, the most interesting committee on which I am privileged to serve, because he provides a proper climate for compromise and a proper forum for discussion, so that we can work out our differences and come to the floor of the Senate, as a rule, in substantial agreement, as we are today.

I also wish to commend my distinguished colleague, Senator CHURCH, for his leadership in the matter of wild rivers legislation, and for the able presentation he has made on the floor this morning with respect to S. 119.

Mr. President, I am very pleased to join Senator CHURCH and Senator JACKSON today in expressing my strong support for the wild and scenic rivers bill as reported to the Senate by the Senate Interior and Insular Affairs Committee.

That bill before the Senate is the product of a great deal of hard work, of the best tradition of give and take in committee discussion, of the earnest desire of all members of the committee to present a wild and scenic rivers system proposal which is acceptable to the entire committee.

I believe we made some substantial improvements in the bill by tightening and amending the language in executive session. S. 119 as reported is, to my mind, a better bill than the version of this legislation which the Senate approved last year. It is also a far better proposal, in my view, than S. 1092, the scenic rivers bill, drawn up and advocated this year by the Department of the Interior.

S. 119, as reported, provides important protection for those rivers not immediately included in the national wild or scenic rivers system but selected for study for possible future inclusion. It establishes a moratorium on licensing dams during a 5-year period on the rivers listed for consideration as future additions, so that no damage to the natural, free-flowing characteristics of such streams can occur while studies are going forward.

New provisions have been added to strengthen the voice of localities and States in the process of developing recommendations for additions to the initial system. Local public hearings are required on any proposed addition to the system, and provision is made to allow the State legislatures concerned to make their views known if they so desire.

The committee has taken pains to insure that intent is made absolutely clear in regard to the protection of established water rights. It is intended that the language bearing on water rights permits the Federal Government to reserve only such unappropriated waters as may be required for the purposes of the act.

In addition, S. 119 retains the National Wild and Scenic Rivers Review Board which was eliminated from the Department of the Interior's bill. The Board is the mechanism through which changes in circumstances and needs affecting rivers designated as wild or scenic may be brought to the attention of the Congress, so that long-range planning for water usage in the Nation may remain flexible and not be foreclosed from the consideration of alternative uses which the future may require.

Mr. President, I have always been a strong believer in the wild rivers concept. I have stated on numerous occasions that I hope that every State can contribute a river or a segment of a river to this great system. This is still my hope.

For the initial system which would be established if this legislation were approved, portions of just seven rivers are recommended for designation as wild rivers. There are, of course, also those rivers designated as scenic rivers. But of the seven designated as wild rivers, two segments are wholly within boundaries of our State of Idaho.

To show graphically the contribution tc the initial wild rivers system, I ask unanimous consent that a table setting down the mileage selected for such preservation be printed in the RECORD at this point.

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

*Mileage of rivers included in the wild rivers system under S. 119*

| | Miles |
|---|---|
| Middle Fork of Salmon River in Idaho | 105 |
| Middle Fork of Clearwater River in Idaho | 185 |
| Lochsa River | 69 |
| Selway | 95 |
| Middle Fork Clearwater | 21 |
| Total | [1] 290 |
| Rio Grande in New Mexico | 50 |
| St Croix in Minnesota and Wisconsin | 100 |
| Segment of Nanekegon, a tributary of the St. Croix River in Minnesota and Wisconsin | 20 |
| Total | 120 |
| Wolf in Wisconsin | 25 |
| Illinois in Oregon | 25 |
| Rogue in Oregon | 35 |
| Total | [2] 255 |
| Total wild rivers | 545 |

[1] Miles in Idaho.
[2] Miles not in Idaho.

Mr. JORDAN of Idaho. Mr. President from the table we observe the initial wild rivers mileage in Idaho totals 290 miles; outside of Idaho it totals 255 miles. Thus, Idaho is furnishing 53 percent of the mileage of the initial system.

I am pleased that Idaho can contribute so substantially to the wild rivers system. We are very proud of our rugged, unspoiled country and believe that the portions of the Salmon and Clearwater drainages put into the system immediately are indeed worthy to be set aside as national natural assets.

In my approach to this legislation, I must say I have had serious reservations that we are trying to move too fast too soon. In this country we are currently engaged in a massive effort to inventory and assess our water resources and to direct planning to the most comprehensive set of considerations about future needs, designations, and uses to assure that we deal wisely with this most precious resource, so that we do not penalize coming generations through the failure to exercise every bit of foresight we can.

The whole emphasis in the water resource field is on using such vision as we possess to plan as comprehensively as possible for the future.

In 1965, Congress enacted the River Basin Planning Act to provide for the optimum development of the Nation's resources through coordinated planning of water and related land resources.

In 1964, Congress enacted the Water Research Act to establish and strengthen competence in water research at the Nation's institutions of higher education.

In that same year, 1964, Congress established a Public Land Law Review Commission to study and make recommendations relating to administration of the public lands, an undertaking which of necessity involves water studies as well.

Just this year, we have approved the establishment of a National Water Commission to conduct a comprehensive review of national water resource programs and uses.

In addition, there is great activity at the State and regional level. Eleven Western States have implemented a Western States Water Council through which they hope to pursue cooperatively long-range planning objectives. The Northwest States have for many years been discussing a Columbia Basin interstate water compact. And this spring a Pacific Northwest River Basins Commission got started in its work pursuant to an Executive order of the President following the mandate of the River Basin Planning Act.

In Idaho, the citizens, through voting an amendment to the State's constitution, have created a State water agency charged with studying and inventorying the state's water and land resources in order that planning may proceed on the most informed basis.

Mr. President, I firmly believe we have a deep responsibility as stewards of our Nation's resources to use them wisely and well and to hand them down to future generations, if possible, in better condition, more wisely used than when we found them. I have been a strong supporter of all the efforts we are directing at every level toward water studies, planning, and research.

With this emphasis in mind, I feel that we should be very careful before committing resources in perpetuity to single purpose use, such as we are doing in wild and scenic rivers legislation. Much of our effort to study our water needs and uses is in progress or just getting started. We do not have all the information we desire in many cases.

Therefore, I have maintained that where wild or scenic rivers legislation might conflict with the thrust of our commitment to planning, the designation of segments of rivers in question should be deferred. Where there is substantial controversy, I have held that we should not put the streams subject to such controversy into the wild and scenic rivers system at this time.

The committee has concurred in this position and in Wyoming and West Virginia where in each case both Senators objected to consideration of certain rivers in their States, the rivers were withdrawn from the bill.

Mr. President, in Idaho there has been a strong feeling regarding the possible effect which wild rivers legislation could have on the State's future development. The Governor of Idaho and the Idaho Water Resources Board have both asked that foreclosure of the use of Idaho waters to single-purpose use be deferred until our land and water inventories are complete. They wish to keep the State's options open.

The magnitude of the issue is sug-

gested by the fact that the Salmon and Clearwater together carry fully 38 percent of the output of Idaho's watersheds, which amounts to an average of 14.5 million acre-feet annually. These two wholly Idaho rivers carry out of the State of Idaho an annual volume of water comparable to the entire annual flow of the Colorado River.

Preliminary investigations carried out by the Idaho Water Resources Board indicate that Idaho has some 6.5 million arid acres to bring into cultivation and irrigate. Considering the growing world food crisis, production from these acres certainly will be ultimately required. However, we lack the water in the Snake River to irrigate all these new acres. Under full development, the Snake River plain will be a water deficient area. Thus, we need to consider how to supplement our water supply. In the not too distant future we shall need to import water into the Snake River basin.

Since Idaho's northern streams are a logical source of supply for supplementing Snake River flows and should be studied in such respect, I have substantially agreed with the State's position on wild rivers. With the concurrence of my distinguished and very reasonable colleague [Mr. CHURCH], therefore, the main stem of the Salmon River in Idaho has been transferred to the study section of the bill, under a moratorium on development, pending completion of Idaho's studies.

Mr. President, I believe that S. 119 in the form presented here today is a thoroughly meritorious piece of legislation and I urge its overwhelming adoption. Further, although Idaho is far and away the largest contributor to the wild rivers system, I hope we will be able to contribute more mileage in the future if our studies indicate that such additions are merited.

Mr. CHURCH. Mr. President, I have listened with much interest and admiration to the statement which the Senator from Idaho [Mr. JORDAN] has just made. He is an acknowledged authority on water, its sources and its uses. His life has been in large measure, devoted to water. In his early years, he showed much foresight in the future use and development of the waters of the Snake River. As the Governor of Idaho, his contribution in the matter of the further development of our water resources was marked and significant. As a member of the International Joint Commission, he rendered great service to the country in working out important agreements with Canada, not the least of which was the St. Lawrence Seaway.

I have the deepest personal respect for him as an authority in water matters. And I think his statement in the Senate this morning indicates that he is as interested in preserving wild rivers as any other Senator. I commend him for the way he has sought to work out the problem of preserving Idaho's options for the future, a consideration which has been of great concern to him and to me. If it had not been for his willingness to do so, we could not have brought this legislation to the floor of the Senate in such form as to prevent a bitter partisan fight over the bill.

Had this bill gone to the House of Representatives after such a fight, and the split vote that would have resulted, I am confident that this legislation would have had no chance for favorable consideration in that body. For these reasons, I want to say how grateful I am to my colleague [Mr. JORDAN]. I thank him for his contribution in bringing a bill to the floor of the Senate which keeps the hope of a national wild river system alive, and enhances the chances for favorable consideration of this bill by the House of Representatives.

Mr. ALLOTT. Mr. President, will the Senator from Idaho yield?

Mr. CHURCH. I am happy to yield to the Senator from Colorado.

Mr. ALLOTT. I should like to ask a few questions and perhaps make a little legislative history. I am sure that the distinguished Senator from Idaho will be happy to do this. He is aware, of course, of the concern that I have had in this legislation about the priorities of water rights and the power of the Secretary of the Interior. We have discussed this both privately and in committee, so that I do not believe any further explanation to him is in order or is needed for any reason.

I invite the Senator's attention to page 403 of the RECORD of January 17, 1966—I will read it—in which a letter from the Secretary of the Interior was placed in the RECORD, the third paragraph of which reads as follows:

> It is settled law that Federal legislation authorizing Federal lands to be used for a particular purpose reserves sufficient unappropriated water flowing through the Federal lands to accomplish that purpose. This reservation does not affect prior valid rights under State law, but it does establish a priority that is good against subsequent appropriators.

Of course, this is a matter which has bothered me for some time. Does the Senator interpret this to mean that under passage of the national wild and scenic rivers bill, as it now is, that it would be impossible for an individual appropriator to perfect rights under the laws and the constitution of the State of Idaho, for example, or Colorado, if Colorado had rivers in this bill, which it does not, against anyone who would wish to perfect the right in the future?

Mr. CHURCH. I would say to the Senator that whatever present law decrees with respect to the priority of rights, among appropriators, that law is left intact by this bill. It is true that the Federal Government can acquire rights by reservation, just as private citizens can acquire rights by appropriation. We sought not to interfere with water law, one way or another. We took great care in committee, as the Senator knows, to work out language that would make it clear that present water law is not altered by the provisions of this bill.

Mr. ALLOTT. As the Senator knows, I submitted an amendment to the present bill which the committee did not accept. The amendment was offered from the viewpoint of a person who has been engaged in water litigation and water matters for the major portion of his life. Following the rejection of the amendment, I submitted report language to the staff, the last sentence of which reads as follows:

> The reservation of unappropriated waters for a National Wild and Scenic Rivers System is not intended to affect any prior valid water right under State law and is paramount only to subsequent appropriators.

The committee has changed this language slightly, but I think perhaps the legislative intent of the language shown at the bottom of page 5 of the committee report and the three paragraphs under the section entitled "Water Rights," might be further clarified. First, I think it should be stated that the appropriate Secretary can only reserve unappropriated waters for the purposes of this act. I am sure the Senator from Idaho is in agreement with that.

Mr. CHURCH. I am in agreement with that.

Mr. ALLOTT. Second, that the reservation is subject to prior water rights vested under State law, and, therefore, that the appropriate Secretary cannot insist upon any greater flow in the river than the amount of unappropriated water. I am sure the Senator would agree with that?

Mr. CHURCH. Yes. I am in agreement with that.

Mr. ALLOTT. Third, the only superior right the appropriate Secretary will have on the river is with regard to subsequent appropriations under State law.

Mr. CHURCH. I find no difficulty with that.

Mr. ALLOTT. I am sure that is true. We do have now in the report on page 5, and I think we should make a record of it, the concept of a reservation only of unappropriated waters, and that this reservation is subject to prior appropriations and paramount only to subsequent appropriations.

Now I shall read the last paragraph.

Mr. CHURCH. May I suggest to the Senator that it might be advisable to include the entire portion of the report dealing with this question.

Mr. ALLOTT. Yes, I shall; not only that, but the subsequent section on page 6.

Mr. CHURCH. Having to do with balanced development.

Mr. ALLOTT. That also has some interest. If the Senator has no objection to having that part printed in the RECORD, I ask unanimous consent that both items be printed in the RECORD.

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

WATER RIGHTS

> The language contained in subsection 6(f) is intended by the committee to preserve the status quo with respect to the law of water rights. No change is intended. The first sentence states that established principles of law will determine the Federal and State jurisdiction over the waters of a stream that is included in a wild river area. Those established principles of law are not modified. The third sentence states that with respect to possible exemption of the Federal Government from State water laws the act is neither a claim nor a denial of exemption. Any issue relating to exemption will be determined by established principles of law as provided in the first sentence. The second sentence would apply to this legislation the principle of compensation embraced by section 8 of the Rec-

lamation Act of June 17, 1902 (32 Stat. 388, 390, found in 43 U.S.C. 383). This means that the Government must pay just compensation for a water right taken for wild river purposes if the water right is a vested property right under established principles of State or Federal law. See *U.S.* v. *Gerlach* (339 U.S.725).

Subsection 6(j) makes it clear that designation of a stream or its portion thereof is not to be considered a reservation of unappropriated waters other than for the purposes of this act—and in no greater quantities than are necessary for those purposes.

It should be made clear that it is the intention of the committee that the Federal Government may reserve only such unappropriated waters as may be required for the purposes specified in this act. The establishment of a National Wild and Scenic Rivers System is not intended to affect or impair any prior valid water right vested under State or Federal law.

BALANCED DEVELOPMENT

In its selection of rivers to be included in the initial system of wild and scenic rivers, and in the study group of rivers for possible later inclusions in the system—with a 5-year moratorium on the licensing of dams on the latter—the committee is cognizant that there are many other rivers throughout the United States which may qualify for the system. The bill establishes procedures by which these may be added.

The committee did not review all the rivers of the United States in acting upon this bill. However, the committee did give particular attention to the middle Snake River watershed in Idaho and Oregon. The Middle Fork of the Clearwater and the Middle Fork of the Salmon, both part of the watershed, will become initial streams in the National Wild and Scenic Rivers System established by S. 119. The main Salmon River will be studied for possible future inclusion in the system.

The Middle Fork of the Snake, also an area of great beauty, contains the location of the proposed High Mountain Sheep Dam just above the confluence of the Snake and the Salmon. This is the last undeveloped site on the Snake River for a great storage dam. The committee took cognizance of this fact in not considering inclusion of the Middle Fork of the Snake in the National Wild and Scenic Rivers System. The committee believes that exclusion of this portion of the Snake River watershed is in keeping with a balance natural resource program.

Mr. ALLOTT. The last paragraph on page 5 reads:

It should be made clear that it is the intention of the committee that the Federal Government may reserve only such unappropriated waters as may be required for the purposes specified in this act. The establishment of a National Wild and Scenic Rivers System is not intended to affect or impair any prior valid water right vested under State or Federal law.

As I understand, the Senator from Idaho interprets the paragraph I have just read and the other related matter under the general heading of "Water Rights" and "Balanced Development," as they appear in the report, to be within the concept of the three points to which he just agreed.

Mr. CHURCH. I do, indeed. Of course, I think the Senator from Colorado would agree with me that it is open to the Government, in connection with this bill or any other Government project, to acquire a water right, if it be deemed advisable, by the purchase of that right from its owner, just as it is open to the Government to acquire any other property right. But the bill itself does not in any way challenge the validity of water rights that have been acquired under State or Federal law, and are vested at the time the system is established.

Mr. ALLOTT. But the bill does not contain a power of condemnation, does it?

Mr. CHURCH. The bill contains a limited power of condemnation.

Mr. ALLOTT. Will the Senator explain that, and state where that limited power is?

Mr. CHURCH. Yes. Wherever 50 percent or more of the land within any wild river area is publicly owned, no power of condemnation is conferred by the bill, except as to the acquisition of scenic easements.

Mr. ALLOTT. Does the Senator mean where more than 50 percent is publicly owned?

Mr. CHURCH. Yes. Where more than 50 percent is publicly owned, there is no power of condemnation except for a scenic easement. Where less than 50 percent is publicly owned, there is a limited right of condemnation conferred by Section 5(d) of the bill. It is limited to acquiring a maximum of 100 acres per mile on both sides of the stream, tributary, or river.

Section 5(a) of the bill sets the maximum acreage for the boundaries of national wild or scenic areas as 320 acres per mile, on both sides of the stream, tributary, or river.

So the bill does two things: It establishes the maximum area of the boundaries themselves; and, within the boundaries, it limits the condemnation authority to cases where less than half the river bank is in the public domain.

Mr. ALLOTT. The power of condemnation does not apply, then, to any portion outside the portion described in the bill?

Mr. CHURCH. It does not.

Mr. ALLOTT. Does it apply to water rights?

Mr. CHURCH. It applies to property rights, which may include water rights, but only if just compensation is made.

Mr. ALLOTT. Of course, in this whole matter we have the corollary question which has repeatedly come up, and bills were offered to cure this by Senator BARRETT of Wyoming, and subsequently by Senator BIBLE, myself, and others, requiring the Federal Government to comply with State laws in the appropriation of water. This is a problem we will have to solve one of these days, but I do not think it has to come in this bill.

Mr. CHURCH. I agree with the Senator on both counts.

Mr. ALLOTT. I thank the Senator for clearing up the legislative record of this matter.

I am more pleased with the legislation as it now stands. I must say, very frankly, to the Senator from Idaho that, considering the appropriation of waters in Colorado and the fact that I think most of our major rivers are overappropriated, I would feel compelled to have to insist on the amendment I previously offered. Colorado is not affected by this bill. I can see no way the bill would affect Colorado adversely. I have to depend on other Senators to see that their own State rights are protected. As far as this particular section is concerned, I think it is satisfactory, with the reservation that in the event any rivers in Colorado are placed under the provisions of the bill, I would have to insist on further protection.

Mr. TALMADGE. Mr. President, will the distinguished floor manager of the bill yield for a question, to clarify a matter in relation to my State?

Mr. CHURCH. I am happy to yield.

Mr. TALMADGE. Mr. President, the pending bill includes the Suwannee River, which rises in Okefenokee Swamp in Georgia and serves as the boundary between the States of Florida and Georgia in the swampy area from that point until it empties into the Atlantic Ocean. It is a beautiful wilderness area, used by many people of both States for fishing, swimming, camping, and matters of that kind.

Is my understanding correct that this bill only authorizes a study, and does not undertake any action to assume Federal jurisdiction of the Suwannee River, in any way whatever?

Mr. CHURCH. The Senator is correct. The Suwannee is listed in that section of the bill—section 4(a)—which is captioned "Federal-State planning for additions to system," and it is listed there purely for study purposes.

Mr. TALMADGE. Prior to congressional action on any bill that may be submitted by the President or any member of his Cabinet, the various Governors—including the Governor of Georgia and the Governor of Florida—will be consulted to ascertain not only their own views, but those of the people of their respective States?

Mr. CHURCH. Yes, indeed. And the bill contains a further provision that if the legislature of either State desires to express its own position, with respect to the possible inclusion of a State river in the national wild rivers system, it will have a full and fair opportunity to do so.

Mr. TALMADGE. And any proposed legislation bearing on the subject, after the study has been made, must come back to Congress for consideration at that time?

Mr. CHURCH. Yes. No addition can be made to the system without the affirmative action of Congress.

Mr. TALMADGE. So, at that time, the congressional delegations from Florida and Georgia would have an opportunity to express their views on the matter?

Mr. CHURCH. Not only would they have the opportunity to express their views, but I am sure that the views of the congressional delegations from Florida and Georgia would have a definite bearing on any possible future action with respect to the Suwannee River.

Mr. TALMADGE. I thank the Senator. With that understanding, I have no objection to the Suwannee River being included in a study.

Mr. CHURCH. I thank the Senator from Georgia.

Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

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

Mr. CHURCH. I yield.

Mr. LAUSCHE. Mr. President, how much money is involved in the pending bill and over how many years is the money authorized to be expended?

Mr. CHURCH. The best estimate that we have from the executive department is that the system established by the bill would cost approximately $40 million over the next 10 years. The price tag for a system of this importance is relatively low.

Mr. LAUSCHE. Mr. President, we have several rivers in Ohio that still retain their pristine and original state of beauty. The citizens in those communities are greatly concerned about keeping projects of an industrial nature out of those areas. Otherwise such projects would destroy the pristine state of those river bodies.

There are included in the study category of the pending bill, I understand, several Ohio rivers which fall within the category I have just described.

Mr. CHURCH. The Senator is correct. The Little Miami, the Little Beaver, and the Maumee, or segments of those streams, are included in the study category of the bill.

Mr. LAUSCHE. Is it the purpose of the pending bill to try to save certain rivers in our country that have not yet been desecrated or butchered by the works of man?

Mr. CHURCH. The Senator is correct. That is the objective, and unless we take action now, the remaining rivers in this category will rapidly disappear.

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

Mr. CHURCH. I yield.

Mr. HOLLAND. Mr. President, as the Senator knows, we have great concern in the State of Florida—and I am sure this is also true in the State of Georgia, which is also affected—with reference to the inclusion of the Suwannee River in the study category of the pending bill. The Suwannee River is fabled in song and story and much loved by a great many people. It is treasured for economic reasons by other people.

May I ask the distinguished Senator, does the inclusion of the Suwannee River in the study category mean that the States will have a right to be consulted and to be heard before any step beyond that can be taken?

Mr. CHURCH. The Senator is correct. The bill contains provisions to assure that the Governors of both States, the interested State agencies and, indeed, the State legislatures, will have an opportunity to participate fully in any study that takes place looking toward the possible inclusion of the Suwannee River in the national system.

Mr. HOLLAND. What would be the effect, under the pending bill, let us say, on the Governors of the State of Florida and Georgia and on the citizens of the States of Florida and Georgia, prior to the taking of any action that would lead toward the inclusion of the Suwannee River in the category of wild rivers?

Mr. CHURCH. I think I can answer that question best by quoting directly from the bill.

Section 4 (a) on page 24 reads as follows:

> The Secretary of the Interior, and the Secretary of Agriculture where national forest lands are involved, after consultation with interested Federal agencies, are directed to consult with the Governors and officials of the States in which the rivers listed below are located to ascertain whether a joint Federal-State plan is feasible and desirable in the public interest to conserve segments of these rivers. The appropriate Secretary shall submit to the President within five years from the date of enactment of this Act his recommendations for inclusion of any or all of them in the National Wild and Scenic Rivers System, and the President shall submit to the Congress his recommendations for such legislation as he deems appropriate:

I emphasize that after these consultations take place and the positions of the Governors and the interested State agencies have been ascertained, the river may not be included in the system without an affirmative act of Congress. So, it comes back to us after we have had the full benefit of consultation with the States concerned.

As the Senator knows, no river in Florida is likely to be included by Congress without very weighty consideration being given to the position taken by the Senators representing Florida.

Mr. HOLLAND. Mr. President, I thank the distinguished Senator.

Do I correctly understand that this situation applies both to the entire river and to any segment of the river that may be considered for inclusion in the wild rivers project?

Mr. CHURCH. The Senator is correct.

Mr. HOLLAND. Do I correctly understand that there is no power in the President by Executive order to include a river and that, to the contrary, all that the President could do would be to recommend to the Congress for its action a course of action which he thought should be taken.

Mr. CHURCH. The Senator is correct. And Congress would have before it not only the recommendation of the President, but also the positions taken by the Governors of the States concerned, and of the other State agencies, before Congress would act.

Mr. HOLLAND. There is one other thing that I should like to ask. Is there any plan included under the pending bill for an immediate proceeding as to some of the rivers that are classed as wild rivers, so that the rest of the Nation can see what is involved in this project?

Mr. CHURCH. Yes, indeed.

Mr. HOLLAND. I think too little is known about just what is involved and what is proposed to be done.

Mr. CHURCH. The bill does establish an initial system, and there will be an opportunity for the rest of the country to observe the administration of that system, while these other rivers listed in the study category of the bill are being further investigated.

We think that the guidelines in the pending bill are sufficient to achieve the objectives of the legislation and to establish a system that will one day have the same degree of public recognition and support that is now accorded to the national park system.

Mr. HOLLAND. Mr. President, I have one more question, if I may ask it.

Is there any pattern set down by the bill whereby a uniform width of the area to be included is provided, or would that depend in each instance upon the geography of the river as well as upon the wishes of the State and the wishes of Congress as to what would be the particular pattern to be followed in that particular case?

Mr. CHURCH. The bill contains a formula which is designed to accomplish both——

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

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the time may be extended for 5 minutes before the vote is taken, and I also ask unanimous consent that the application of rule XII be waived.

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

Mr. CHURCH. Section 5(a) sets the maximum acreage for boundaries of the national wild and scenic river area at 320 acres per mile on both sides of the stream, tributary, or river. This sets a limitation on the size, but allows enough flexibility to accommodate different geographical conditions.

Mr. HOLLAND. This is a maximum limitation?

Mr. CHURCH. This is a maximum limitation.

Mr. HOLLAND. Meaning that in any particular case where the purposes would not require it to go that far out from the river, that limitation would not apply?

Mr. CHURCH. That is correct.

Mr. HOLLAND. It could be less than that, but never more?

Mr. CHURCH. It could be less than that, but never more.

Mr. HOLLAND. I thank the Senator.

The PRESIDING OFFICER (Mr. HOLLINGS in the chair). The question is on agreeing to the committee amendment in the nature of a substitute.

The committee amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 119) was ordered to be engrossed for a third reading and was read the third time.

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

Mr. CHURCH. I yield.

Mr MONDALE. I thank the distinguished Senator for permitting me to engage in a short colloquy with the distinguished junior Senator from Wisconsin [Mr. NELSON], with respect to the provisions of the scenic Saint Croix bill, which is now incorporated as a part of this broader scenic rivers proposal.

The Senate Interior Committee limited the power of the Secretary of Agriculture or the Secretary of the Interior to acquire land by condemnation under this legislation. Could the Senator describe how that power is limited?

Mr. NELSON. Yes. We limited the boundaries of any scenic river area to not more than 320 acres per mile on both

sides of the river, and within those boundaries restricted fee acquisition to only 100 acres per mile. In addition, on rivers where Federal ownership presently exceeds 50 percent of river bank property, no additional acquisition by condemnation is permitted.

Mr. MONDALE. In allowing the Secretaries to acquire up to 100 acres per mile in fee title, was it the committee's intention that they should in fact exercise that authorization to the fullest extent possible?

Mr. NELSON. No. As a matter of fact, the committee's intention was just the opposite. We intended the Secretaries' powers of condemnation to be used to protect scenic and wild rivers from commercial and industrial destruction, not for indiscriminate acquisition. The bill is not a land grab, and the condemnation power is primarily for acquisition of appropriate public access sites.

Mr. MONDALE. Even in areas where industrial or commercial development threatens the river, would the bill require that the Secretary in every case purchase the fee title to the land for protective purposes?

Mr. NELSON. No. We hope that the Secretaries will in every possible case use their power to acquire scenic easements instead of outright purchase. Not only will this be cheaper and less costly, but also, it will provide suitable protection for the scenic and recreational qualities of rivers without unduly disturbing existing patterns of residential ownership.

Mr. MONDALE. I have special concern about the St. Croix River in this connection, as does the Senator from Wisconsin. Has the committee expressed its intent in this regard in the committee report in any way?

Mr. NELSON. Yes. The committee report states specifically that it is the committee's intention that local units of government along scenic and wild rivers will be encouraged to adopt suitable zoning ordinances which will protect the river's qualities. Furthermore, and this is the most important protection, the committee report states at page 5:

> For example, it is intended that in that section of the Saint Croix River described in section 3(b)(1) that acquisition will be limited to less than 1,000 acres to be used as access points and that the remainder of that segment will be primarily controlled by local zoning ordinances.

I believe this establishes the committee's intention that the acquisition power of the Secretaries is to be used judiciously—primarily for public access and facilities. On the lower St. Croix River in particular, protection for the river should be accomplished by zoning and, if necessary, by the purchase of scenic easements.

Mr. MONDALE. I believe the answers to those questions have been most helpful.

It is my understanding that the Department of the Interior has developed a specific plan for the development and use, within the provisions of this act, of the Lower St. Croix. Is my understanding correct?

Mr. NELSON. The Senator's understanding is correct. As the Senator knows, as the coauthor of the St. Croix scenic river bill, last year we went into the question of the development on the lower St. Croix, Taylor Falls, and St. Croix Falls. The provisions of this bill are intended to implement the intent of the bill that we passed the last time—that is, there will be not more than 1,000 acres used for public access points, and that will involve not more than 6 points.

Mr. MONDALE. And those points have been rather well identified already on existing maps and are known to the committee?

Mr. NELSON. That is correct.

Mr. MONDALE. Is it the intention of Congress to permit the acquisition of homes and cottages beyond those points?

Mr. NELSON. No. The only acquisition of homes or property may be within the access points themselves; and, as the Senator from Minnesota has stated, the access points have been carefully delineated already. Even so, the property owner is entitled to maintain his cottage or his home for his lifetime or for 25 years, at his option.

Because of the Senator's insistence on this point, the committee and its staff gave very detailed and thorough consideration to including several of the provisions of S. 368 in the overall bill now before us. But we were faced with the difficulty of drafting one bill of nationwide application to a number of rivers, and found that some of these provisions would not be helpful in rivers elsewhere in the United States. But I believe that the final version of the wild and scenic rivers bill takes care of the concerns the Senator has, even though these are not spelled out in as detailed a fashion as might be possible. But the committee was unable to do this, because we were working with a national bill. But it is not the committee's intent to take any residences away from homeowners except in isolated cases of public access sites.

Mr. MONDALE. I am glad to have this clarified. One of the problems has been that in the last Congress we had a specific St. Croix scenic rivers bill; but now that it is part of a national program, it is not possible to have all the special problems, as we identified them, incorporated in particular terms. I believe this colloquy helps, so that the same intention exists with respect with development of the St. Croix as was embodied essentially in that measure, as we define them.

I express my profound appreciation for the leadership of the chairman of the subcommittee and the floor manager of this most important measure, and for the leadership of the Senator from Wisconsin [Mr. NELSON], who continues to be one of the great leaders of this country in conservation matters. I have found it most fulfilling and valuable to work with him on this proposal, and I believe it will be a wonderful day for the upper Midwest if the bill is passed.

I am glad to see that the committee included the Big Fork River in its study section, because I believe it is a river of great potential for this purpose.

Mr. CHURCH. I thank the Senator. I am grateful for the support he has given to the pending measure, and I wish to associate myself with his remarks with regard to the Senator from Wisconsin [Mr. NELSON].

Mr. SYMINGTON. Mr. President, natural rivers are a part of our national heritage and should be preserved. Many of our remaining free-flowing rivers are under threat of pollution, impoundment and other destructive assault. The Senate Committee on Interior and Insular Affairs has given the matter thorough study and now recommends this bill to establish a national wild and scenic rivers system.

Last year, a similar measure was approved by the Senate by a vote of 71 to 1. This year's bill, S. 119, which I cosponsored, is broadened to provide for two categories of rivers; "wild" for sparsely populated, rugged areas; and "scenic" for more accessible but still pastoral areas.

It is pleasing to note that the entire Eleven Point River, all the way from its headwaters at Thomasville, Mo., to the Black River in Arkansas, has been recommended as a scenic river.

S. 119 would also designate 27 other rivers, including the Gasconade in central Missouri, as candidates for future inclusion in the national system.

I am glad to support this measure, and hope that it will soon be enacted into law.

The PRESIDING OFFICER. Pursuant to the order previously entered, the time to vote on the bill has arrived.

The bill having been read the third time, the question is, Shall it pass?

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana [Mr. BAYH], the Senator from Virginia [Mr. BYRD], the Senator from Connecticut [Mr. DODD], the Senator from Oklahoma [Mr. HARRIS], the Senator from Virginia [Mr. SPONG], and the Senator from Maryland [Mr. TYDINGS] are absent on official business.

I also announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Alaska [Mr. GRUENING], the Senator from Wyoming [Mr. McGEE], the Senator from Maine [Mr. MUSKIE], the Senator from Rhode Island [Mr. PELL], the Senator from Georgia [Mr. RUSSELL], and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

I further announce that, if present and voting, the Senator from Indiana [Mr. BAYH], the Senator from Connecticut [Mr. DODD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Alaska [Mr. GRUENING], the Senator from Oklahoma [Mr. HARRIS], the Senator from Wyoming [Mr. McGEE], the Senator from Maine [Mr. MUSKIE], the Senator from Rhode Island [Mr. PELL], and the Senator from Maryland [Mr. TYDINGS] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Pennsylvania [Mr. SCOTT]

is absent on official business and, if present and voting, would vote "yea."

The result was announced—yeas 84, nays 0, as follows:

[No. 208 Leg.]

YEAS—84

| | | |
|---|---|---|
| Aiken | Hart | Mondale |
| Allott | Hartke | Monroney |
| Anderson | Hatfield | Montoya |
| Baker | Hayden | Morse |
| Bartlett | Hickenlooper | Morton |
| Bennett | Hill | Moss |
| Bible | Holland | Mundt |
| Boggs | Hollings | Murphy |
| Brewster | Hruska | Nelson |
| Brooke | Inouye | Pastore |
| Burdick | Jackson | Pearson |
| Byrd, W. Va. | Javits | Percy |
| Cannon | Jordan, N.C. | Prouty |
| Carlson | Jordan, Idaho | Proxmire |
| Case | Kennedy, Mass. | Randolph |
| Church | Kennedy, N.Y. | Ribicoff |
| Clark | Kuchel | Smathers |
| Cooper | Lausche | Smith |
| Cotton | Long, Mo. | Sparkman |
| Curtis | Long, La. | Symington |
| Dirksen | Magnuson | Talmadge |
| Dominick | Mansfield | Thurmond |
| Ellender | McCarthy | Tower |
| Ervin | McClellan | Williams, N.J. |
| Fannin | McGovern | Williams, Del. |
| Fong | McIntyre | Yarborough |
| Griffin | Metcalf | Young, N. Dak. |
| Hansen | Miller | Young, Ohio |

NAYS—0

NOT VOTING—16

| | | |
|---|---|---|
| Bayh | Gruening | Scott |
| Byrd, Va. | Harris | Spong |
| Dodd | McGee | Stennis |
| Eastland | Muskie | Tydings |
| Fulbright | Pell | |
| Gore | Russell | |

So the bill (S. 119) was passed.

The title was amended, so as to read: "A bill to reserve certain public lands for a National Wild and Scenic Rivers System, to provide a procedure for adding additional public lands and other lands to the system, and for other purposes."

Mr. CHURCH. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. KUCHEL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, the senior Senator from Idaho [Mr. CHURCH] has again successfully handled a measure of vital importance to the Nation insofar as it preserves for all Americans some of the most beautiful natural waterways on this continent. His flawless management of the bill, S. 119, which establishes a system of national wild and scenic rivers, produced its endorsement by all Members.

His long and persistent efforts lead the way for the success of this measure; appropriatedly, it drew nothing short of unanimous approval—an outstanding achievement for Senator CHURCH and for the preservation of our ever diminishing wilderness areas. The Senate and indeed the Nation are most grateful. If finally enacted, ours and all future generations shall benefit because of his strong efforts.

Joining Senator CHURCH to assure unanimous adoption by the Senate was his colleague from Idaho [Mr. JORDAN]. Like Senator CHURCH, Senator JORDAN has been consistently committed to the preservation and maintenance of the Nation's natural resources, including its magnificent wilderness areas. He too worked long and hard for today's success and deserves the Senate's high commendation.

The junior Senator from Washington [Mr. JACKSON], the able and outstanding chairman of the Committee on the Interior, is similarly to be commended. He contributed immensely to the discussion, offered his clear and convincing views and supported the measure with typically capable advocacy. The senior Senator from Texas [Mr. YARBOROUGH] deserves equally high commendation. His efforts produced the assurance of consideration of another natural waterway for inclusion in the proposed national river system. We are grateful.

Other Senators also joined the discussion. Noteworthy were the views added by the Senator from Ohio [Mr. LAUSCHE], the Senator from Georgia [Mr. TALMADGE] and the Senator from Florida [Mr. HOLLAND]. Their interest is always welcome; their analysis always thoughtful. The Senate may be proud of another fine achievement gained with such generous consideration for the views of all Members that unanimous approval on final passage was a certainty.

Mr. KENNEDY of New York. Mr. President, our action today in approving by a unanimous vote the wild and scenic rivers bill will preserve certain portions of our rivers in their original condition for the benefit and pleasure of present and future generations of Americans. I am pleased to join in support of this important measure. I have personally traveled a number of these rivers and can attest to their great natural beauty and an excitant which must be preserved for future generations of Americans.

As our needs for power generation, navigation, water supply, and irrigation increase—and they will increase at a staggering rate in the remaining years of the 20th century—we will find it necessary to modify many of our rivers and lakes.

This modification will materially change the nature of these rivers, in some cases flooding rivers for navigation purposes, and in other cases artificially lowering rivers during certain periods of the year for irrigation purposes. I am sure that we will support these modifications as they are required. Navigation, creation of reservoirs, additional power generation are important aspects of our daily life and commerce.

However, because of the many pressures for use of our rivers, pressures that are increasing as our population grows and its needs increase, it becomes doubly important that we designate at this time, those rivers that we wish to preserve or return to their original condition.

These rivers can offer to present and future generations recreational, scenic and spiritual value that would not be gained elsewhere.

If these rivers are not so designated at this time, we will not be able to go back and re-create their original state. Once a dam is built, a river is straightened, or water control systems are built for irrigation purposes, we cannot reverse our actions.

This is why it is important to designate portions of the Salmon, the Clearwater, the Rogue, the Rio Grande, the Green, and the Suwannee as parts of a national wild rivers system. The beauty and grandeur of these rivers is eloquent testimony in itself as to why they should be included in this system.

In addition to the rivers listed for initial inclusion in the wild rivers system, certain other rivers are designated for possible inclusion at a later date, should the State and Federal agencies concerned agree that this is desirable and feasible.

One of these rivers is the East Fork of the Susquehanna from Cooperstown, N.Y., to Pittston, Pa. I would like very much to see this river included.

Some of these other rivers are located in more built-up areas where both private and public developments have already somewhat modified the character of the river. In this sense they have already been partially tamed. It may not be possible to include the entire portion of the river within the system. It may also be necessary to modify the provisions of the system for each of these additional rivers so that the best solution for the individual river is reached.

I am sure that New York State and municipal officials will work closely together with the appropriate Federal agencies to determine under what conditions the East Fork of the Susquehanna can be included in the wild rivers system. I know that full consideration will be given to the individual requirements on each of these rivers.

I know also that the people of New York State and the surrounding States are interested in preserving some of our rivers in their wild state—and for those of you from the West that do not think the upper Hudson or the Susquehanna can be wild, I extend an invitation for a personal inspection—for their pleasure and for the pleasure of future generations. They know that the major population growth in the remainder of this century will take place close to existing urban areas. They know that we must act now if we are to conserve these portions of our natural heritage.

Our action today is an important step toward preserving the natural beauty of our rivers. The benefits of this action will be enjoyed by all Americans for generations. These rivers will be enjoyed for their scenic splendor and for their recreational value. By this action, we improve the quality of our environment, and that improvement contributes to a better quality of life for all of us.

## A TIME FOR EVALUATION

Mr. HANSEN. Mr. President, I address myself to the problem we face of insuring adequate money to carry out responsibilities for vital domestic programs and the Vietnam war, while keeping the Federal deficit from ballooning to the monstrous size the administration is now unhappily predicting.

In order to fulfill all our responsibilities, some say we must increase taxes; others say there are numerous instances where spending can and should be reduced. At the outset, I am inclined to support the latter course, and I wish to

point out an area where nearly 2 billion taxpayer dollars might be freed from a presently wasteful use, where cynical political maneuvering might be eliminated, and where the livelihood of this Nation's second largest industry might be freed from dependence on the Government for its sustaintance.

I refer to our current farm programs and to the funds—nearly $2 billion in 1966—paid directly to wheat and feed grain producers in the form of price supports and diversion payments.

An increasing amount of mail from agricultural constituents and consumers in my State has convinced me we need to take a close look at the inequities and future direction of our farm policy.

I have observed the impact of the wheat and feed grains program, and its influence in my own State on livestock production; and I have attempted to study its complexities and implications.

As I recall, the programs were originally enacted for the purpose of reducing huge post-war surpluses by paying farmers to divert acres from production. While it appeared to provide the answer to a problem many years ago, the wheat and feed grains program is now outmoded, extremely costly, and totally unnecessary in light of the present overall situation.

Although huge Government-held surpluses have largely disappeared, this has been more the result of greatly increased exports than the effectiveness of the program. In fact, production under this program has been higher than before it was initiated. There are numerous instances where diversion payments have gone to producers for land that would not have produced wheat or feed grains without the program. These payments have helped finance yield-increasing practices on the remaining acreage.

ASCS offices in eastern soft-wheat areas currently are purchasing large amounts of wheat to be added to CCC stocks, because overproduction has caused a lack of storage facilities and the prices have fallen below the local loan rate.

Some paradoxes exist which would have been almost amusing, were they not so serious in their effect. Farmers are harder hit than ever by skyrocketing costs and lower prices for their products, largely due to the inequities of the very programs designed to solve their problems.

The Government spends nearly $2 billion in payments to wheat and feed grain producers to reduce yield; while simultaneously spending untold amounts in scientific and technological research to encourage more production on less land.

What do farmers think about Government farm programs? Farm Journal, a nationally known agricultural magazine, conducted polls of its rural readers in 1959, 1962, and 1966. The results, even though limited to the opinions of about 19,000 farmers, came from all the States and represented all the various cross-sections of agriculture.

The final count revealed the following statistics with respect to Government price supports and controls:

In the 1959 poll, 55 percent voted for no supports and no controls;

In 1962, 52 percent rejected supports and controls; and,

In 1966, 63 percent voted to get the Government out of the business of farm price supports and controls, while 27 percent voted for "some supports." Only 10 percent thought programs should be continued as they are.

Several years ago when a producer referendum was held, the majority of wheat and feed grain producers voted overwhelmingly against Government controls. Congress then enacted a voluntary program, and in order to encourage participation, the Government used various means—including the dumping of surplus stocks on the market to depress prices—to induce producers to sign up.

Obviously, the majority of farmers would prefer to produce what they feel they can sell, and take their knocks in the marketplace without having to depend on political manipulations in Washington for a large portion of their income.

If the farmers do not want the program, and if repealing it would save the taxpayers money, then there is no justification for failing to give serious and objective consideration to the merits of a market-oriented system. It is time to reexamine and reevaluate the wheat and feed grains program.

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## IMPLEMENTATION OF IMMIGRATION REFORM ACT OF 1965

Mr. FONG. Mr. President, section 203 (a) (7) of the Immigration and Nationality Act provides for the conditional entry of refugees into the United States. The language of that provision reads as follows:

(7) Conditional entries shall next be made available by the Attorney General, pursuant to such regulations as he may prescribe and in a number not to exceed 6 per centum of the number specified in section 201(a)(ii), to aliens who satisfy an Immigration and Naturalization Service officer at an examination in any non-Communist or non-Communist-dominated country, (A) that (i) because of persecution or fear of persecution on account of race, religion, or political opinion they have fled (I) from any Communist or Communist-dominated country or area, or (II) from any country within the general area of the Middle East, and (ii) are unable or unwilling to return to such country or area on account of race, religion, or political opinion, and (iii) are not nationals of the countries or areas in which their application for conditional entry is made; or (B) that they are persons uprooted by catastrophic natural calamity as defined by the President who are unable to return to their usual place of abode. For the purpose of the foregoing the term "general area of the Middle East" means the area between and including (1) Libya on the west, (2) Turkey on the north, (3) Pakistan on the east, and (4) Saudi Arabia and Ethiopia on the south: *Provided*, That immigrant visas in a number not exceeding one-half the number specified in this paragraph may be made available, in lieu of conditional entries of a like number, to such aliens who have been continuously physically present in the United States for a period of at least two years prior to application for adjustment of status.

Mr. President, on July 12, 1967, I sent a letter to Secretary of State Dean Rusk strongly protesting the Department's partial implementation of this section 203(a)(7) of the Immigration Reform Act of 1965.

I pointed out at that time that by establishing refugee offices in six European nations and Lebanon, any political refugee in flight from a Communist country who tries to enter the United States by way of any Asia or Pacific area would be effectively barred from admission to this country, unless he somehow manages to reach one of those seven countries.

This partial implementation of the law, I emphasized, was clearly a violation of the spirit and intent of the Immigration Reform Act of 1965, which the administration had so strongly supported for the very reason that it would eliminate racial discrimination from our basic immigration law.

Mr. President, I ask that the text of my letter of July 12 to the Secretary be printed at this point in the RECORD.

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

JULY 12, 1967.

Hon. DEAN RUSK,
*Secretary of State,*
*Department of State,*
*Washington, D.C.*

DEAR MR. SECRETARY: It is my understanding that political refugees from Communist China escaping into Hong Kong may not enter the United States conditionally, as provided under Section 203(a)(7) of the Immigration and Nationality Act, because as that provision is administered, political refugees from Communist nations must enter on a conditional basis from one of only seven countries—Austria, Belgium, France, West Germany, Greece, Italy and Lebanon. None of these nations, it should be noted, is in the Asia and Pacific areas, and all but Lebanon are in Europe.

This to me is a clear violation of the spirit of the Immigration Reform Act which the Congress passed in 1965, and which the Administration so strongly supported because it would eliminate racial discrimination from our basic immigration law. What we have eliminated by law is being restored by administrative decree. This is most unfortunate and smacks of racism.

I therefore urgently request that Hong Kong and another country in Southeast Asia—perhaps Thailand or Singapore—be added to the list of areas through which political refugees from Communist countries may be granted entry into the United States.

With aloha,

Sincerely yours,

HIRAM L. FONG.

Mr. FONG. On July 25, the Department of State replied to my urgent request that refugee offices be established in Hong Kong and Thailand or Singapore. Mr. President, I ask that the full text of this letter be printed in the RECORD at this point.

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

DEPARTMENT OF STATE,
*Washington, July 25, 1967.*

Hon. HIRAM L. FONG,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR FONG: Secretary Rusk has asked me to thank you for your letter of July 12 in which you request that Hong Kong and another country in Southeast Asia be added to the list of areas through which political refugees from Communist countries may be granted conditional entry into the United States under Section 203(a)(7) of the Immi-

gration and Nationality Act. The Department is glad to give you its views on this matter.

I should like to state at the outset that the Department of State shares your view that there should not be discrimination against refugees from Communist China. Indeed, the Department has consistently supported legislation and programs for help to Chinese refugees, including the Far East Refugee Program, which the Department administers, and the several immigration laws under which Chinese refugees have been and are being admitted to the United States. Under present circumstances, this is one of the few ways by which we can demonstrate that the historic friendship and humanitarian concern of the American people toward the Chinese people continues.

Several thousand Chinese refugees received visas under the Refugee Relief Act of 1953 and over 2,000 more obtained special refugee visas under Section 15 of Public Law 85-316, the Act of September 11, 1957. Following the massive influx of refugees from Communist China in 1962, the President authorized the use of the Attorney General's parole power under Section 212(d)(5) of the Immigration and Nationality Act for the admission of Chinese from Hong Kong. As a result, during the period 1962-65 over 15,000 Chinese, most of them refugees from Communist China, were paroled into the United States. Many of these Chinese benefited from that provision of Section 203(a)(7), which permits the use of up to 5100 numbers annually for the adjustment of the status of refugees already in the United States.

More recently the removal of quota and other restrictions by the Act of October 3, 1965, which amended the Immigration and Nationality Act, has provided substantial relief for Chinese refugees in Hong Kong. In the quota year ending June 30, 1965, before the new Act had modified the national origins system and the discrimination of Asians associated with it, only 2,122 immigrant visas were issued by the Consulate General in Hong Kong. In the year ending June 30, 1966, the number of visas issued had risen to 6,911, and in the year ending June 30, 1967, the number is expected to reach about ten thousand, almost five times the number issued before the new law was enacted. In the last few years the number of Chinese immigrants has increased to the extent that voluntary relief agencies and others have reported that many of the Chinese are having difficulty in finding jobs and housing in the United States except under conditions which are substandard and not on a par with their skills and previous level of living.

With regard to the language of Section 203(a)(7) of the Immigration and Nationality Act, the Department is in full agreement with you that the language of the statute would permit the conditional entry of refugees from Communist China. However, among the considerations involved in the implementation of Section 203(a)(7) was the position of the Congress as noted in the reports of Committees of the Judiciary of both the Senate and the House. These reports stated that the conditional entry of refugees as proposed in this bill was not unlike the parole procedure utilized during the existence of the so-called Fair Share Act and that it was intended that the procedure should remain the same. Public Law 86-648, the Fair Share Act of July 14, 1960, was enacted for the specific purpose of resettling the overflow of refugees in Europe and the Middle East. In accordance with Congressional intent for the implementation of that law, the seven countries mentioned in your letter—Austria, Belgium, France, West Germany, Greece, Italy and Lebanon—were designated as centers for the parole of refugees. With the passage of the new Immigration Act, and in line with the language of the Congressional reports, these same countries have continued to be the only ones from which refugees are being processed for conditional entry.

As you know, Section 203(a)(7) provides that conditional entries shall be made available by the Attorney General to aliens who are examined by Immigration and Naturalization officers. Although this section of the law is administered by the Immigration and Naturalization Service (INS), the Attorney General and the Secretary of State have agreed that the Department of State will designate the countries in which it is considered feasible and in the foreign policy interests of the United States for the Immigration and Naturalization Service to undertake the examination of applicants for conditional entry. Also involved are agreements with the countries of asylum to the arrangements necessary for INS to conduct these operations. These include the right of INS officers to interrogate applicants, the right of access to local government records on the refugees and the right to return refugees to the asylum country within a period of two years if they are found ineligible to remain in the United States.

The Department in consultation with the Immigration and Naturalization Service has given consideration to the possible extension of the benefit of Section 203(a)(7) to other areas. For example, in addition to the two million or so Chinese in Hong Kong who might qualify as refugees, the million and a half Palestine refugees in the Middle East pose a similar problem. However, under the law a maximum of only 10,200 refugees may be granted conditional entry annually and half of this total, or 5,100 numbers, may be made available for the adjustment of status of refugees already in the United States. Therefore, the numbers of Chinese who might enter the United States under these limitations would have relatively little impact on the total refugee situation in Hong Kong. Should Hong Kong (or the Middle East) be opened up for the implementation of conditional entry, the problem of administering the presumed huge number of applications, of making determinations as to the applicant's refugee status, and of trying to assign priorities among potential applicants far in excess of the numbers available would be most difficult. There would be a special problem in Hong Kong where the authorities consider persons entering the Crown Colony without legal documents as "illegal immigrants" rather than "refugees." Whereas in European countries, refugees apply for and receive asylum under definite standards related to the provisions of the United Nations Convention on Refugees, no such determinations are made in Hong Kong.

These are the considerations upon which the Department thus far has withheld designation on Hong Kong as an area for the examination of applicants for conditional entry. You may be assured, however, that the Department will continue to keep the question of enlarging the scope of the refugee program under serious consideration.

I appreciate the opportunity which your letter provides to explain the Department's position in this matter.

If there is any additional information which you believe we can furnish, please let me know.

Sincerely yours,

WILLIAM B. MACOMBER, Jr.,
*Assistant Secretary for Congressional Relations.*

Mr. FONG. Mr. President, today I have written another letter to the Secretary.

While I appreciated very much the Department's extensive exposition of its views on this situation, and while its support of past efforts to assist refugees escaping from Communist China and other areas of Asia and the Pacific I find to be indeed commendable, I was absolutely not satisfied with the points raised by the Department's letter.

In effect, the Department's letter simply underlines its policy of refusing to accept political refugees from Asia and the Pacific. It is a flat refusal by the Department to reconsider this unfortunate policy, and as such I strongly believe that the Department is guilty of gross discrimination against Asia and the Pacific.

This racial discrimination is being practiced wholly without sanction of the 1965 Immigration Reform Act, but rather by administrative fiat.

The problems which are outlined in the Department's letter have been raised only for the purpose of avoiding the full implementation of a law that has been duly passed by the Congress.

There is no question that the overriding public policy underlying every single aspect of that 1965 law is the complete elimination of race discrimination from our basic immigration statute. This transcendent public policy is made abundantly clear in statements of President Johnson, when he submitted the bill to Congress and when he signed the measure into law, and in all the legislative history of the law.

When that public policy is applied to statutory provisions dealing with political refugees, it is plain to me that such refugees in the Asia and Pacific areas should be placed on exactly the same footing as political refugees in Europe and the Middle East.

Mr. President, the language contained in the reports of the Committees on the Judiciary of both Senate and House regarding the implementation of section 203(a)(7) of the Immigration and Nationality Act of 1965 which was noted in the Department's letter is:

> The conditional entry of refugees as proposed in this bill is not unlike the parole procedure utilized during the existence of the so called Fair Share Act . . . and is intended that the procedure remain the same.

This language of the Senate report clearly indicates that procedurally it follows the Fair Share Act. But nothing in the report says that the refugees should be only those covered by the Fair Share Act.

As the Department itself points out on page 2 of its letter:

> With regard to the language of Section 203(a)(7) of the Immigration and Nationality Act, the Department is in full agreement with you that the language of the statute would permit the conditional entry of refugees from Communist China.

I can well understand the problems outlined in the Department's letter with respect to political refugees in Asia, particularly those in Hong Kong. But I am convinced these problems are exactly what the Department has had and is experiencing in most of the seven nations where it has established refugee offices.

To be sure, there is the problem of administering the huge number of Hong Kong applications—particularly in comparison with the small number of refugees to be admitted annually under the 1965 law.

This again appears, however, to be a problem common to political refugees the world over—whether they may come from Europe, the Middle East, or Asia. The reason for this is the limited num-

ber the Congress has seen fit to allow into the United States each year.

The primary relevant criterion for considering their admission to the United States in this context is that all such refugees be given an equal footing, regardless of race, color, or national origins.

As for foreign policy considerations, the establishment by the Department of refugee offices in Asia and the Pacific undoubtedly would greatly enhance America's image in that critical area of the world. By doing this, we would be demonstrating to the hundreds of millions of people in Asia and the Pacific that America does not discriminate against them—in favor of the peoples of Europe and the Middle East.

I am certain that the United States would encounter no difficulty in reaching agreements with the countries of asylum I have proposed to enable INS screening of applicants for conditional entry. The United Kingdom, and the sovereign states of Thailand and Singapore undoubtedly would be more than willing to extend their fullest cooperation to this country in this regard.

There appear to be no insurmountable obstacles, therefore, to establishing refugee offices in the Asia and Pacific areas, and that the problems outlined in the Department's letter are subterfuges under which the Department is openly flouting the intent and spirit of the Immigration Reform Act of 1965.

All that is requested is that at least two refugees offices be established in the Asia-Pacific area. Only when this is done will the Immigration Reform Act of 1965 be fully implemented as to its basic underlying policy of complete eradication of race discrimination.

In view of the language of the law and its overriding intent, the Asia-Pacific area has been grossly discriminated against—not by law, but by administrative fiat. It has not been placed on the same footing as Europe and the Middle East.

It is imperative that the language and spirit of the law be fully implemented. This could be done by designating Hong Kong and another nation—Thailand or Singapore—as points through which refugees might be processed at the earliest possible date.

I am very hopeful that the Secretary will give this urgent matter his personal attention and that he will take the steps I have suggested to right an obvious wrong in the Department's policies respecting political refugees in Asia and the Pacific.

Mr. President, I ask unanimous consent that the full text of my letter of today to the Secretary of State be printed in the RECORD at this point.

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

AUGUST 8, 1967.

Hon. DEAN RUSK,
*Department of State,*
*Washington, D.C.*

DEAR MR. SECRETARY: This will acknowledge receipt of the response of the Department of State, dated July 25, to my letter concerning political refugees from Communist countries in Asia and the Pacific. I appreciate very much the extensive exposition of the Department's views on the matter.

I am well aware of the past efforts on the part of this country to assist refugees escaping communism from Communist China and other areas of Asia and the Pacific. The Department's support of these efforts is indeed commendable. But this should not excuse the full implementation of the spirit and intent of the law.

I am also fully aware of the language contained in the Reports of the Committees on the Judiciary of both Senate and House regarding the implementation of Section 203 (a) (7) of the Immigration and Nationality Act of 1965 which was noted in the Department's letter. It is quite true that the Senate Report, for example, contains the following language: "The conditional entry of refugees as proposed in this bill is not unlike the parole procedure utilized during the existence of the so-called Fair Share Act . . . and is intended that the procedure remain the same."

This language of the Senate Report clearly indicates that procedurally it follows the Fair Share Act. But nothing in the Report says that the refugees should be only those covered by the Fair Share Act.

As you point out yourself on page 2 of your letter: "With regard to the language of Section 203(a)(7) of the Immigration and Nationality Act, the Department is in full agreement with you that the language of the statute would permit the conditional entry of refugees from Communist China."

There is no question that the overriding public policy underlying every single aspect of the 1965 Law is the complete elimination of race discrimination from our basic immigration statute. This transcendent public policy is made abundantly clear in statements of President Johnson, when he submitted the bill to Congress and when he signed the measure into law, and in all the legislative history of the Law.

When that public policy is applied to statutory provisions dealing with political refugees, and fortified by what we all agree to be the meaning of Sections 203(a)(7), it is plain to me that such refugees in the Asia and Pacific areas should be placed on exactly the same footing as political refugees in Europe and in the Middle East.

I can understand the problems outlined in the Department's letter with respect to political refugees in Asia, particularly those in Hong Kong. But I am convinced these problems are exactly what you have had and are experiencing in most of the seven nations where you have established refugee offices.

To be sure, there is the "problem of administering the huge number of (Hong Kong) applications"—particularly in comparison with the small number of refugees to be admitted annually under the 1965 Law.

This again appears, however, to be a problem common to political refugees the world over—whether they may come from Europe, the Middle East, or Asia. The reason for this is the limited number the Congress has seen fit to allow into the United States each year.

The primary relevant criterion for considering their admission to the United States in this context is that all such refugees, although limited in number, be given an equal footing, regardless of race, color, or national origins.

As for foreign policy considerations, the establishment by the Department of refugee offices in Asia and the Pacific undoubtedly would greatly enhance America's image in that critical area of the world. By doing this, we would be demonstrating to the hundreds of millions of people in Asia and the Pacific that America does not discriminate against them—in favor of the peoples of Europe and the Middle East.

I am certain that the United States would encounter no difficulty in reaching agreements with the countries of asylum I have proposed to enable INS screening of applicants for conditional entry. The United Kingdom, and the sovereign states of Thailand and Singapore undoubtedly would be more than willing to extend their fullest cooperation to this country in this regard.

There appear to be no insurmountable obstacles to establishing refugee offices in the Asia and Pacific areas. It is therefore evident to me that the problems which are outlined in the Department's letter have been raised to avoid the full implementation of a law duly passed by the Congress.

All that is requested is that at least two refugee offices be established in the Asia-Pacific area. Only when this is done will the Immigration Reform Act of 1965 be fully implemented as to its basic underlying policy of complete eradication of race discrimination. Only then will America not be accused of reverting to the ill-advised policies of the past.

In view of the language of the Law and its overriding intent, the Asia-Pacific area has been grossly discriminated against—not by law, but by administrative fiat. It has not been placed on the same footing as Europe and the Middle East.

It is imperative that the language and spirit of the Law be fully implemented. This could be done by designating Hong Kong and another nation—Thailand or Singapore—as points through which refugees might be processed at the earliest possible date.

I look forward to your favorable reply.

Sincerely yours,

HIRAM L. FONG.

Mr. FONG. I also ask unanimous consent to have printed in the RECORD two editorials, one entitled "Refugees and Race," published in the Honolulu Advertiser of July 16, 1967, and the other entitled "Lingering Discrimination," published in the Honolulu Star-Bulletin of July 27, 1967.

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

REFUGEES AND RACE

U.S. Senator Hiram Fong has pointed up what seems to be a glaring racial gap in this country's treatment of refugees seeking political asylum.

Under a State Department determination, refugees from Communist nations can seek conditional entry into the U.S. only from certain countries in Europe and the Mediterranean region—not from anywhere in the Asia-Pacific area.

Senator Fong wants Hong Kong, Thailand and Singapore included as points where persons can seek to come to the U.S. under the refugee category.

China's cultural revolution, Hong Kong's rioting and Indonesia's actions against overseas Chinese would all seem to add even more humanitarian reasons for making it possible for refugees to come here from Asia.

Yet the present State Department no-door-for-Asia policy is described by some as a reversal of a previous program that brought some 14,000 refugees from Hong Kong to the U.S. between 1962–66. That was hardly a number that would flood the country, but it at least reflected an interest.

The irony of this policy on refugees is that it comes at a time when the regular immigration channels are bringing an increasing number of Asians to the U.S.

Under the Immigration Reform Act of 1965 this figure has almost doubled, to some 40,000. Chinese and Filipinos have shown the biggest increases.

This far-reaching act, which puts added flexibility and democracy into our immigration standards, has been rightly hailed. Senator Fong was a co-author with Senator Edward Kennedy.

Now Senator Fong is right in citing the

contrast between this law and our treatment by administrative decision of legitimate Asian refugees who have fled communism or other oppression.

The State Department may have its reasons, but they are invisible, and unviable. We should obviously not discriminate on a racial basis. It is also important that we should not seem to do so.

LINGERING DISCRIMINATION

Political refugees from Communist China seeking asylum in the United States have to go all the way to Europe—or to Lebanon—before they can qualify for entry.

There is nothing in the law that sets up this limitation; it is so because of an administrative order.

Sen. Hiram L. Fong is pushing to get the order changed to include Hong Kong and either Thailand or Singapore as additional clearing points for refugees from political persecution.

The order now permits conditional entry of refugees from Communist countries to enter the United States only from Austria, Belgium, France, West Germany, Greece, Italy and Lebanon. Sen. Fong notes that all but one of these are in Europe, none in the Asia-Pacific area.

The Immigration Reform Act of 1965 sought to eliminate racial discrimination from our basic immigration law. "What we have eliminated by law in 1965 is being restored by administrative decree," Sen. Fong protests.

His request that Hong Kong and either Thailand or Singapore be added to the list of refugee way stations is reasonable. It would help remove the lingering discrimination against the Pacific-Asia triangle that Hawaii's spokesmen in Washington have tried for years to end.

## EXPORT-IMPORT BANK ACT AMENDMENTS OF 1967

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 478, S. 1155.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1155) to amend the Export-Import Bank Act of 1945, as amended, to shorten the name of the bank, to extend for 5 years the period within which the bank is authorized to exercise its functions, to increase the bank's lending authority and its authority to issue, against fractional reserves, export credit insurance and guarantees, and for other purposes.

The PRESIDING OFFICER. 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 Banking and Currency, with an amendment, to strike out all after the enacting clause and insert:

That (a) the Export-Import Bank Act of 1945, as amended (12 U.S.C. 635–635i), is amended by changing "Export-Import Bank of Washington", wherever that name refers to the legal entity created by the Export-Import Bank Act of 1945, to "Export-Import Bank of the United States".

(b) Section 2(b) of such Act is amended by inserting "(1)" after "(b)", and by adding at the end thereof a new paragraph as follows:

"(2) It is further the policy of the Congress that the Bank in the exercise of its functions should not guarantee, insure, or extend credit, or participate in an extension of credit (A) in connection with the purchase of any product by a Communist country (as defined in section 620(f) of the Foreign Assistance Act of 1961, as amended), or agency or national thereof, or (B) in connection with the purchase of any product by any other foreign country, or agency, or national thereof, if the product to be purchased by such other country, agency, or national is, to the knowledge of the Bank, principally for use in, or sale to, a Communist country (as so defined): *Provided*, That whenever the President determines that such guarantees, insurance, extension of credits, or participation in credits, would be in the national interest and reports such determination (within thirty days after making the same) to the Senate and House of Representatives, such guarantees, insurance, or extension of credits may be made, or participated in, by the Bank notwithstanding the policy herein stated."

"(3) It is further the policy of the Congress that the Bank in the exercise of its functions shall not guarantee, insure, or extend credit, or participate in an extension of credit in connection with any credit sale of defense articles and defense services by the Government of the United States under the Foreign Assistance Act of 1961, as amended, or by United States exporters, the repayment of which is guaranteed under section 503(e) and section 509(b) of said Foreign Assistance Act: *Provided*, That whenever the President determines that such guarantees, insurance, extension of credits, or participation in credits, would be in the national interest and reports such determination (within thirty days after making the same) to the Senate and House of Representatives, such guarantees, insurance, or extension of credits may be made, or participated in, by the Bank notwithstanding the policy herein stated: *Provided further*, That in no event shall the Bank have outstanding at any time, military export credits guaranteed under section 503(e) and section 509(b) of the Foreign Assistance Act of 1961, as amended, in excess of 7½ per centum of limitation imposed by section 7 of this Act."

(c) Section 2(c) of such Act is amended by striking out "$2,000,000,000" and inserting in lieu thereof "$3,500,000,000".

(d) Section 3(d) of such Act is amended by striking out the last sentence and inserting in lieu thereof the following: "Members, not otherwise in the regular full-time employ of the United States, may be compensated at rates not exceeding the per diem equivalent of the rate for grade 18 of the General Schedule (5 U.S.C. 5332) for each day spent in travel or attendance at meetings of the Committee, 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, United States Code, for individuals in the Government service employed intermittently."

(e) Section 7 of such Act is amended by striking out "$9,000,000,000" and inserting in lieu thereof "$13,500,000,000".

(f) Section 8 of such Act is amended by striking out "June 30, 1968" and inserting in lieu thereof "June 30, 1973".

## ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Chair recognizes the Senator from Nebraska [Mr. HRUSKA].

## ELECTRONIC SURVEILLANCE BY AUTHORIZED LAW ENFORCEMENT OFFICERS

Mr. HRUSKA. Mr. President, I ask unanimous consent that at the next printing of S. 2050, a bill to prohibit electronic surveillance by persons other than duly authorized law enforcement officers, and for other purposes, the names of the Senator from Pennsylvania [Mr. SCOTT], the Senator from Illinois [Mr. PERCY], the Senator from California [Mr. KUCHEL], the Senator from South Carolina [Mr. THURMOND], my colleague from Nebraska [Mr. CURTIS], the Senator from Arizona [Mr. FANNIN], the Senator from Iowa [Mr. MILLER], the Senator from California [Mr. MURPHY], the Senator from New Hampshire [Mr. COTTON], and the Senator from South Carolina [Mr. HOLLINGS] be added as cosponsors to S. 2050.

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

Mr. HRUSKA. Mr. President, S. 2050 would provide congressional authorization for Federal-State law-enforcement authority to use modern electronic technology in combating crime in this country, particularly organized crime.

The Senators who join me have been convinced that the mounting evidence justifies the extremely limited and carefully controlled authority to engage in wiretapping and bugging to fight these most serious threats to our national security. They have studied among other papers, the persuasive arguments advanced by respected law enforcement officials such as Frank S. Hogan, district attorney of New York County, N.Y. Mr. Hogan has described wiretapping as "the single most valuable and effective weapon in the arsenal of law enforcement, particularly in the battle against organized crime." He has found it to be "an irreplaceable tool."

These Senators have also reacted to informed comment by respected columnists such as Marquis Childs and the editorial writers of the Christian Science Monitor.

They have joined in a call that is not limited to the Federal Government. Just last weekend Governor Rockefeller of New York requested a State constitutional amendment to equip law enforcement officials in his State with the capacity to deal effectively with the control of crime and to preserve law and order. Mr. Rockefeller contends:

> It is essential that we make maximum use of modern science and technology for the protection of society against crime.

These decisions by the distinguished Senators to which I have referred have not been made lightly. No men in the Senate are more jealous of the constitutional rights of the individual. These decisions have been made only after a careful weighing of all arguments and much reflection.

Mr. President, it appears that permissive electronic surveillance, if authorized by Congress, would be a vital tool in helping to head off the rash of riots which have erupted across the Nation. The evidence now being accumulated by the Senate Judiciary Committee in its current hearings indicates as much. We have heard, for example, from Capt. John A. Sarace, of the Nashville Police Department, who testified that had electronic surveillance been authorized for this purpose, it would have been of great value. While not specifically provided for

in S. 2050 at present, such authorization seems to have merit.

Mr. President, I ask unanimous consent that an article from the New York Times be inserted in the RECORD, and also a series of articles on the wiretapping controversy written by the prize-winning columnist, Edward J. Mowery.

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

[From the New York Times, Aug. 6, 1967]

ROCKEFELLER ASKS WIRETAP POWERS IN CONSTITUTION—URGES CONVENTION DELEGATES TO GIVE GENERAL AUTHORITY FOR LEGISLATURE TO ACT—WANTS TO GUARD RIGHTS—CAREFULLY CONTROLLED USE IS SOUGHT—PRESENT LAW IS TERMED OBSOLETE

(By Thomas P. Ronan)

Governor Rockefeller announced yesterday that he would seek a state constitutional provision authorizing "the carefully controlled use of wiretapping and electronic surveillance" in fighting crime.

He specified that this use must be "under judicial supervision with adequate safeguards for the protection of individual liberties."

The Governor's office here made public a message he will send to the Constitutional Convention in Albany tomorrow. In it, he urges the delegates to include in their proposals "general authority" for the Legislature to provide for the use of wiretapping and electronic surveillance.

Convention proposals for a new or revised Constitution must be approved by the voters in a statewide referendum before they can become effective.

The Governor said that the present state constitutional provision authorizing wiretapping and the state law covering this and electronic surveillance had been "rendered obsolete" by a ruling of the United States Supreme Court.

THE TOOLS FOR BATTLE

"The capacity of our modern society to deal effectively with the control of crime and to preserve law and order is challenged as never before," Mr. Rockefeller declared in his message.

"Our ability to meet this challenge is significantly strengthened by the tools of science and technology now available to society.

"In a period of spiraling crime rates and at a time when organized crime is flourishing in narcotics traffic, gambling, loan sharking and the corruption of legitimate businesses, it is essential that we make maximum use of modern science and technology for the protection of society against crime."

After outlining his proposal, Mr. Rockefeller said that wiretapping and electronic surveillance of criminals were "perhaps the single most effective weapons available today to society in the fight against organized crime."

The Governor noted that Section 12, Article 1, of the present State Constitution had provided general authority for court-authorized wiretaps where there was reasonable ground to believe that evidence of crime might be obtained.

NOTES RECENT RULING

"This provision, however, and the statutory law of the state which covers electronic surveillance as well as wiretaps have been rendered obsolete by the recent decision of the Supreme Court in the case of Berger v. New York," he continued.

In this 5-to-4 ruling on June 12, the Court held that the New York State law permitting court-approved eavesdropping by the police was unconstitutional. But it did not impose a total ban on the use of electronic devices in fighting crime.

The ruling was interpreted as leaving the door open for a statute that would give law-enforcement officials the required authority without affecting the rights of individual privacy guaranteed by the Fourth Amendment.

The Supreme Court threw out the bribery conviction of Ralph Berger, a Chicago public-relations man. He had been found guilty in November, 1964, of having plotted with the owners of Playboy Clubs International and Playboy magazine to give a $50,000 bribe to Martin C. Epstein, then chairman of the State Liquor Authority.

District Attorney Frank S. Hogan's office conceded that he would not have been convicted without the evidence collected by bugging two New York offices.

The whole question of wiretapping and bugging by law-enforcement agents has caused heated controversy in recent years.

The Johnson Administration has proposed outlawing wiretapping and other electronic eavesdropping except in national security investigations.

In June, Attorney General Ramsey Clark took a long step toward implementing this proposal for Federal agents when he issued regulations forbidding wiretapping and virtually all eavesdropping by them except in national security cases.

This and similar moves in Federal and state circles have been severely criticized by some law enforcement officials and members of Congress on the ground that some police eavesdropping must be permitted if organized crime is to be controlled.

In urging the convention delegates to provide authority for police eavesdropping, Mr. Rockefeller said that if they did so and the voters approved, it would "facilitate" legislation he intended to propose at the next legislative session "which meet the criteria set forth by the United States Supreme Court."

This legislation, he said, "will carefully safeguard individual liberty and at the same time recognize the right of society to protect itself through the use of this valuable device for effective law enforcement."

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[From the Jackson Citizen Patriot, Jackson, Mich., Apr. 13, 1967]

THE GREAT WIRETAPPING CONTROVERSY—HOBBLES ADD TO GRAVITY OF CRIME SITUATION

(EDITOR'S NOTE.—Pulitzer Prize-winning columnist Edward J. Mowery unveils the "other side of the coin"—law enforcement's crucial need of listening devices in combatting unprecedented crime—in this three-part series.)

(By Edward J. Mowery)

NEW YORK.—The United States is reeling under the blows of a crime explosion of staggering immensity, perhaps unmatched in the annals of history. It is easily the most crucial issue crying for solution on the domestic front.

Yet, a determined effort is under way to hobble law enforcement by denying it the tools needed to crush the underworld. One of those tools is the listening device.

The gravity of the crime situation has caused deep concern in the White House. Weighing the 1966 breathtaking tally of 2,780,000 major offenses scarring the image of urban and rural America—where citizens fear to venture even in broad daylight—President Johnson has called for a no-holds-barred assault on the nation's criminal scum.

But realists know there can be no equitable solution until: 1) the courts treat felons like felons and enemies of society, and 2) law enforcement is given every known aid to take them into custody. Thanks to the "soft on criminals" thesis gaining momentum throughout the land, society's rights to protection are vanishing by attrition.

A series of United States Supreme Court decisions, anchored to the "constitutional" rights of criminals, has upgraded their status and simultaneously submerged the rights of law-abiding citizens—their victims. Policemen must virtually apologize to a thug emerging from a robbery scene with smoking pistol. By judicial decree the thug's rights are paramount.

In New Haven, Conn., and other cities, officers must carry printed cards and read their contents to a suspected criminal before he can be questioned. He's told of his right to remain silent, to engage counsel, etc.

Sweeping court decisions in the same vein seek to restrain the press in its coverage of crime news, tacitly endangering the sacred constitutional prerogative of the people's "right to know." The combination of criminal-coddling and repressive measures against the press hasn't been lost on the underworld.

Criminal combines are chuckling. Crime incidence is hitting a peak. By judicial edict . . . society is unable to protect itself!

You have only to consult your daily newspaper to glimpse the crumbling of safeguards against exploding criminality. Between the time you arose this morning and until you retire tonight, this deadly tally will have been inscribed on the nation's police blotters: 27 murders, 566 muggings and assaults, 3,200 burglaries, 326 robberies, and 2,900 larcenies.

In the same span, vicious criminals will have committed 62 statutory assaults on women and girls, spreading tragedy in their respective communities. And these are only the major crimes. All this adds up to unbridled terror stalking every corner of the nation.

And from the vortex of this crime upheaval has emerged an explosive, myopic campaign to further cripple law enforcement by depriving it of still another vital weapon in battling crime.

This is the listening device, popularly known as either a wiretap or electronic "bug," used successfully for years to penetrate the inner sanctums of criminal and subversive combines.

The major issue submerged in the current wiretap storm, and in the spate of corrective bills descending on Congress, is how the devices are used . . . and by whom. Valid wiretap usage by law enforcement has long been conducted on a controlled, restrictive basis under written authorization of a court or a superior.

This type of eavesdropping under official sanction often thwarts consummation of the criminal conspiracy—in and out of government—for the protection of the general public.

Electronic "snooping" in the private sector, however, is another matter. The indiscriminate usage and sale of "bugs," taps, parabolic sound, reflectors and "black light" beams which clandestinely invade a citizen's privacy, should be banned by law. So-called "industrial espionage," which dulls the competitive aspects of interstate commerce, should also fall within the ban.

But there is little evidence that the average citizen has been harassed by "buggers." And success of suggested laws to curtail the sale of such devices is admittedly doubtful.

It is ironical that the assertedly "horrendous" aspects of electronic eavesdropping triggered no furor through the years of their successful employment by various federal agencies to trap extortionists, tax thieves, kidnapers, narcotic mobsters, spies and crooks in government.

These were expendable crooks, chorused the press and public, and good riddance! But in 1963, electronic surveillance became synonymous with "invasion of privacy" when FBI agents "bugged" the Washington hotel room of Fred B. Black Jr. in an investigation wholly unrelated to Black's income tax problems.

Black, a lobbyist and associate of Robert G. (Bobby) Baker, erstwhile secretary to the Senate majority, was convicted the following year of tax evasion. The howls over "invasion" of Black's privacy—involving recorded

conversations between Black and Baker—had deafening, political overtones.

The FBI "bug" allegedly not only "tainted" Black's trial but cast a shadow over the full-blown investigation of Baker, then under way. On Jan. 29, a federal jury convicted Baker on seven counts of fraud, larcency, tax evasion and conspiracy. Black will be retried. Baker will appeal.

So the "bugging" controversy, starting as a zephyr, progressed into a raging storm which culminated in a series of noisy 1965 hearings by the Senate Administrative Practice-Procedure Subcommittee under the chairmanship of Sen. Edward V. Long (D.-Mo.). The long "side-show," in turn, unveiled some interesting reactions.

When special agents of the FBI and Internal Revenue Service (IRS) testified frankly concerning their use of electronic devices in the battle against hoodums and racketeers, some IRS officers ran for cover.

Amazingly, they pleaded innocence and ignorance in their agents' employment of "bugs." Recrimination set in. And such outstanding, dedicated IRS investigators as A. Robert Manzi, H. Alan Long, O. Burke Yung and Joseph R. Harmon faced transfer and-or demotion.

FBI Director J. Edgar Hoover said his men used such devices upon the specific, written authorization of succeeding attorneys-general. He defended both the investigative techniques of his agents and the "bugs" as vital tools in the crime war.

Sen. Robert F. Kennedy said he wasn't "aware" of the FBI "bugging" during his 1961–64 tenure as attorney general. Hoover termed the statement "inconceivable," adding that Kennedy authorizations were "fully documented" including the monitoring, by Kennedy, of "microphone surveillance."

Hoover needs no apologist for his agency's zeal in trapping—by any legal means possible—the hoards of criminals now stalking society!

The "bugging" dispute still rages. Long threatens more hearings on "snooping" devices. The issue has reached the White House, and a plethora of bills will soon explode in both houses.

Stripped of its politics and hysteria, the basic issue remains the same: Society's rights and protection are paramount, not the rights of criminals!

Effective law enforcement not only requires legalization of carefully controlled taps and "bugs," but an immunity bill to aid cooperative witnesses.

Such a bill has been passed by the Senate and awaits House action.

Criminals are spreading wholesale terror in the United States. You won't catch them with butterfly-nets!

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WIRETAP BAN WOULD LEAVE LAW DEAF IN WAR ON CRIME

(By Edward J. Mowery)

NEW YORK.—Since June 30, 1965, all federal departments and agencies have been prohibited from using wiretaps or electronic devices to penetrate the conspiratorial activities of the nation's criminal syndicates. The ban came from the White House.

And while the edict directly effects only federal investigative agencies, it has had a stultifying effect on wiretap usage by state and local officials. And it is currently bobbing on a crest of anti-wiretap hysteria which may burst forth momentarily in a series of sensational but anemic "hearings" in Congress.

None will ever know the full effects of the wiretap ban on law enforcement's frantic efforts to blunt the spiraling crime wave or keep abreast of plots hatched by organized mobs, symbolized by the so-called Cosa Nostra.

In one instance, a wiretap or electronic device could have possibly saved the life of a Cosa Nostra victim thought "unreliable." He was kidnapped, hung on a butcher's hook for three days and tortured until he died. Kidnapers, forgers, arsonists, extortionists and gambling combines have been spared listening-device penetration for 18 months.

Those who condemn law enforcement's use of wiretaps and microphones against criminals and subversives follow a static "line." It's a "lazy" way of gathering data which should be readily available through "approved" investigative techniques.

Electronic devices allegedly invade a citizen's privacy, scar personal rights and shred the constitutional structure. Law enforcement, in such criticism, becomes the scapegoat—the perpetrator of serious ethical misconduct.

These accusations may be bona fide when listening devices are used without restraint, rigid control or specific official authorization. They are generally valid when such devices are authorized by a prosecutor or court in the fields of internal security or organized crime.

In the case of the Federal Bureau of Investigation and law enforcement as a whole, the protection of individual rights and those of society is a sacred trust. The balance cannot be shifted too far either way. Certainly it can't be weighed in favor of the law-breaker.

Because of its grand-scale jurisdictional scope, the FBI has long made use of electronic devices on a limited, restricted basis as an essential weapon in protecting both individuals and the community against criminal and subversive depredations. Without this tool, the FBI is admittedly under a severe handicap.

The FBI in the past has successfully used "bugs" in certain types of criminal cases—such as kidnapping—when a human life was at stake. It has electronically penetrated the inner sanctums of the Communist party.

FBI "mikes" have repeatedly unearthed the inner workings of the Cosa Nostra.

There's nothing mysterious about why the FBI considers limited, controlled use of listening devices a crucial technique in battling criminals and subversives. And an analysis of FBI "taps" through the years produces some compelling arguments.

In facing today's extra-legal empires, the FBI uses many investigative methods to gain information, all of which have their limitations. A "key" source of information is informants who, in the guise of loyal members, penetrate criminal combines (Cosa Nostra) and subversive nests (Communist party) and feed back information.

The FBI also welcomes information from defectors from the conspiracy, and private citizens alert to potentially dangerous situations. Physical surveillances and meticulous review of documentary records are other peripheral techniques. Each is a valuable method of penetration. But together . . . they are not enough.

The records disclose that the FBI—which symbolizes all large-scale law enforcement in its needs and goals—must have instantaneous, foolproof means of penetrating the inner "inner sanctums" of criminal conspiracies to identify their salient elements.

And while electronic devices do not represent a final or ultimate panacea, they covertly unmask the mob's leadership and plots and provide the exact words, moods and identity of the plotters.

The FBI considers "taps" and "mikes" a vital entree into conspiracies against the common good, a penetrative technique rarely available through other means.

The primary purpose of such devices is intelligence—reliable, immediate and reasonably accurate guidelines. Information derived is not admissible in federal courts.

However, FBI records disclose that intelligence data pouring from listening devices has repeatedly alerted officials to violations in the making or crimes that have occurred, permitting immediate all-out investigation leading to legally admissable evidence.

Devices have proved a boon in probing the inner-workings of loan sharking, gambling, extortion and mob "wars." They have uncovered the operation of "front" companies and spotlighted the corruption of public officials.

Electronic coverage has enabled the FBI to protect the lives of undercover agents or informants inside both criminal and subversive nests. It has also provided an accurate check on the integrity of the undercover informant, pinpointing not only the accuracy of his information but identifying him as a possible "double-agent."

A prime source of Cosa Nostra strength, the record reveals, lies in the combine's ability to corrupt public officials, including some in law enforcement. The FBI disseminates nearly 200,000 items of information yearly to other federal, state and local enforcement agencies. The items deal with FBI-obtained information relative to possible violations in other basic jurisdictions.

Electronic devices quickly enable the FBI to detect a "feedback" or "leak" of this information to Cosa Nostra through venal officers or hoodlum "plants" inside local police departments. "Bugs" also identify conspirators at the community level—in business, unions and government—who are taking bribes or graft from the organization.

The intelligence-gathering potential of listening devices in combatting espionage and internal subversion, the records amply reveal, is unmatched.

Gainers in the federal ban on such devices are the legions of criminals smugly aware that their conspiratorial inner sanctums are immune from effective interference or disruption. Who is protecting America's non-criminals?

As for the outpouring of tears for "individual rights," no law-abiding citizen fears electronic intrusion . . . because he is rarely a target and has nothing to hide.

Venal politicians rightfully fear official wiretap penetration. So do criminals.

Perhaps an enlightened Congress will act in favor of . . . the common good.

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THE GREAT WIRETAPPING CONTROVERSY—ISSUE PITS PROTECTION, PRIVACY

(By Edward J. Mowery)

NEW YORK.—Congress soon will consider an avalanche of proposed bills designed to outlaw clandestine eavesdropping and insure a citizen's right to privacy.

The suggested measures will have a vast scope. They will seek to ban interstate shipment and sales of wiretapping and electronic bugging devices, control their use by police at all levels and end electronic snooping by private detectives and so-called industrial spies.

On what grounds? That use of such devices contravenes the constitutional ban on "unreasonable searches and seizures."

The bills now coming to the floor in both houses are all-enveloping in their proposed target areas: The barring of oral eavesdropping via electric, mechanical or electronic technological devices involving sonic, ultrasonic, heat or electric waves, laser or other beams, waves of visible or invisible light and recording relays to capture the dialogue "outside the conversational ambit."

Congress, under tremendous pressure to enact some type of anti-wiretap legislation, undoubtedly will approve legal restraints on "invasion of privacy" during this session. The White House will go along.

Neither the Federal Bureau of Investigation nor law enforcement as a whole opposes such legislation. But, as national coordinator of anti-crime efforts, repository of mountainous crime data and custodian of world-renowned crime laboratories, the FBI knows that any new anti-wiretap law which denies use of this intelligence tool to crime fighters will undermine the battle to reduce runaway crime.

One bill now before the Senate fully recog-

nizes law enforcement's crucial need of listening devices under rigidly controlled, authorized conditions. Other realistic bills undoubtdley will be considered by both houses. But the proposal of Sen. James O. Eastland, D-Miss., incorporates sweeping protective features.

The measure (S. 634) would bolster U.S. security and afford right-of-privacy protection to citizens by prohibiting eavesdropping, with certain exceptions. It would ban use of wiretaps, "bugs," parabolic sound reflectors, "black light" beams or "any other method" of eavesdropping.

It would permit use of such devices in national security cases when authorized and supervised by the attorney general.

In organized crimes cases: "A federal judge could issue a warrant based upon proper showing of probable cause—by affidavit authorizing maintenance of specified surveillance for six months."

The bill stipulates that in other crime cases, warrants valid for 72 hours could be renewed upon proper showing of continuing probable cause.

Eastland, chairman of both the Senate Judiciary Committee and its internal security subcommittee, believes his proposal to be judicially airtight on the "due process" issue. Exhaustive study preceded introduction of the bill on Jan. 24.

But a wiretap law designed to protect both citizens and the nation's crime fighters isn't the only current need in the overall protection of society. Prompt legislative action also is needed to compel a witness to testify in key criminal cases and grant him immunity from prosecution as a result of his revelation.

Immunity by statute isn't new. Some 55 federal laws now authorize immunity grants to witnesses. But the lack of immunity in "specific" areas has driven the government to obliquely utilize immunity provisions of non-germane statutes, such as the 1956 Narcotics Control Act and the Federal Communications Act.

Law enforcement officials contend there are four critical areas where the lack of immunity guaranteed to witnesses actually hobbles efforts to crush organized crime.

The areas in which mobsters refuse to testify, invoking the Fifth Amendment, are: (1) interestate travel in aid of racketeering, (2) obstruction of justice by injury or threat to a witness or juror, (3) bankruptcy frauds, and (4) bribery, graft and conflict of interest.

These are sensitive areas of organized underworld activities under which present federal statutes offer no immunity to cooperative (or antagonistic) witnesses. But another bill (S. 2190) passed last year by the Senate incorporates all four of the needed immunity areas. The measure now awaits action by the House Judiciary Committee. Crime experts say it should be aired in the House without delay.

In emphasizing the need for immunity legislation as a companion weapon to authorized wiretaps in battling criminal syndicates, an official said:

"Organized crime combines, such as Cosa Nostra, are centralized, highly disciplined groups with totalitarian control by a few big shots who use murder, assault, blackmail and torture to discourage 'squealing' by members.

"Realistic immunity legislation would provide underlings and knowledgeable, potential informants within the mobs a chance to reveal the secret workings of criminal conspiracies without fear of self-incrimination or punishment. Such a law would strip a witness of his 'criminal straitjacket' and break the almost-total ring of silence."

The FBI and other agencies have amassed a wealth of information on organized crime operations and planted informants in the crime cartels. But when an informant is exposed as a witness, his anonymity and value are destroyed.

Immunity grants to lesser but informed members of the syndicates, enforcement officials stress, could open vast gaps in underworld operations.

So . . . law enforcement, in attempting to fulfill its responsibility in blunting an unprecedented wave of crime for the protection of society, is pleading for the tools to do the job. Two of these tools are controlled, minimal use of listening devices, and immunity legislation to smoke out underworld witnesses.

Judicial edicts, anti-wiretap hysteria and political venality have swung the balance in favor of the criminal.

But society—the tragic victim of unfettered criminality—must be protected at all costs. Society's rights, realists in Congress are convinced, supersede those of any individual citizen.

That was the thesis of one of the greatest jurists of all time—Oliver Wendell Holmes.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I want to make a unanimous-consent request outside of the colloquy which will result from the speech just made.

I ask unanimous consent that at the conclusion of the remarks under the control of the Senator from Nebraska [Mr. HRUSKA], the Senator from Connecticut [Mr. RIBICOFF], and the Senator from Illinois [Mr. PERCY] be recognized for 10 minutes.

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

Mr. PERCY. Mr. President, will the Senator from Nebraska yield?

Mr. HRUSKA. I am happy to yield to the Senator from Illinois.

Mr. PERCY. Mr. President, at the time of the introduction of the Federal Criminal Procedure Revision Act of 1967 on June 29, I called attention to the necessity to escalate the war on organized crime. I joined the distinguished Senator from Nebraska [Mr. HRUSKA] in urging that more was needed than the President's grant-in-aid proposals in order successfully to meet the challenge of crime in our society. Today, I am adding my name to that of Senators HRUSKA, DIRKSEN, ERVIN, CURTIS, HANSEN, SCOTT, and KUCHEL in sponsoring the Electronic Surveillance Control Act of 1967.

Mr. President, there is hardly a force within our Nation which runs at such cross purposes to our national ideals as organized crime which, as the President's Crime Commission after exhaustive study has pronounced as "dedicated to subverting not only American institutions but the very decency and integrity that are the most cherished attributes of a free society."

This well organized, highly developed, secret organization operates as an independent government within our country. It has its own codes and laws, by which it controls enterprises ranging from gambling, loansharking, and narcotics trade to legitimate businesses and labor unions. Its methods are everywhere the same—monopolization, terror, extortion, tax evasion, and fraud. I call particular attention to the following excerpt from the Task Force Report on Organized Crime:

All available data indicate that organized crime flourishes only where it has corrupted local officials. As the scope and variety of organized crime's activities have expanded, its need to involve public officials at every level of local government has grown. And as government regulation expands into more and more areas of private and business activity, the power to corrupt likewise affords the corruptor more control over matters affecting the everyday life of each citizen.

As the able Senator from Pennsylvania [Mr. SCOTT] pointed out in his incisive remarks on the floor last Friday, organized crime presents unique problems in its detection and in compiling the evidence necessary to successful prosecution. The Electronic Surveillance Control Act is responsive to this special need.

On the other hand, Mr. President, there is hardly a practice in our society which runs so counter to our notions of individual rights and liberties as eavesdropping, either by wiretapping or by secret electronic transmission devices, employment of which is commonly known as "bugging."

Electronic surveillance—both governmental and private—has become alarmingly widespread throughout the country, with the advent of microminiturized technology that allows concealment of a powerful transmitting device in an ordinary pencil or pen, behind a picture on a wall, or hidden in the center of a flower. I am sure that all Members of this body are aware of the growing crisis to individual liberties if this widespread, pernicious practice is permitted to grow, unchecked, and unlimited. In part, the Electronic Surveillance Control Act is directed to the outlawing of this insidious practice.

In this objective, it tracks the administration's Right of Privacy Act which also seeks to ban private, random eavesdropping. To this extent there is little controversy: there are few who would argue seriously that Congress can or should continue to withhold regulation in sensitive areas of our civil liberties.

It is the legislative process which must make these evaluations, based—as they must be—on the broadest, most practical view of the competing interests at hand. I am confident that the distinguished Subcommittee on Criminal Laws and Procedures, chaired by the distinguished gentleman from Arkansas [Mr. MCCLELLAN] and of which my able colleague from Nebraska [Mr. HRUSKA] is ranking minority member will do exactly that.

My sponsorship of the Electronic Surveillance Control Act of 1967 is not lightly undertaken. I do not find it easy to advance legislation which suggests interference with individual rights on occasion. It is well to set a high premium on privacy, and with the quickening threat of rapid urbanization and mass communications, even the slightest present threat of Government intrusion may be magnified in coming years.

But I am constrained to believe that every practical, constitutional device must be put to use—and quickly—if the insidious cancer of organized crime is to be rooted from our society. The judicially controlled warrant procedures of the bill can be made consistent with constitutional protection of basic fourth amendment rights.

It is important in this regard to consider the victims of organized crime.

Who contributes the estimated $8 to $9 billion in gambling revenues each year, the staple income of the Mafia?

Who are the victims of preying narcotics peddlers whose sordid wares return staggering profits to the organization while enslaving the underprivileged?

Who in our society are most easily lured—or driven—to the loan sharks, whose usurious exactions carry the threat of violence and ruin?

And who bears the cost of the protection racket in our urban slums where monopoly enforced by extortion has replaced free competition, and the higher prices are passed along to the consumer?

Mr. President, you will find the immediate and direct costs of organized crime are borne by our urban poor, borne by those who monetarily and spiritually can least afford it. They, who have least privacy and the least share in the advantages of our society, are the immediate victims. We all share the indirect costs, and are subject to the very real dangers of this "secret government." I emphasize again the threat and the actuality of the political corruption depicted by the President's Crime Commission.

The Electronic Surveillance Control Act of 1967 will continue, in the case of the States, and vastly improve, for Federal enforcement agencies, a valuable weapon in the war on organized crime. I urge the subcommittee's best efforts to perfect it, and thus pave the way for its consideration by Congress.

The present controversy over the permissive use of electronic surveillance in law enforcement is thoroughly justified by the strength of the interests involved. It is gratifying, indeed, for one who is concerned for the precious constitutional rights of every citizen to be free from official interference, and equally concerned for effective law enforcement to have had the opportunity which I have taken since I came to the Senate to evaluate these seemingly competing interests. For definition of the proper constitutional balance between individual privacy on the one hand, and the necessity for society to protect itself from lawless elements on the other has fueled the debate over official electronic surveillance that only recently has appeared to near a definitive resolution. Until the Supreme Court handed down its decision in Berger against United States, No. 615, decided June 12, 1967, neither those who favored strictest protection for civil liberties nor those who believed in the need for more official intercept authority could assert with confidence the Constitution favored their side of the argument.

In my mind, Berger has done much to clear the air. The majority of the Court has said that the fourth amendment does not make the "precincts of the home or office * * * sanctuaries where the law can never reach." The practical effects of Berger which are of greatest importance, are twofold.

First, by ending the controversy over whether controlled electronic surveillance could be squared with the Constitution, the Supreme Court has shifted to more definite terms a dialog that has continued for a number of years. Those who have argued a right of privacy under the Constitution must be absolute and inviolate will no longer be tempted to confuse the basic public policy question with constitutional issues. On the other side, those who have felt that a great elasticity of the constitution could be freely assumed where law enforcement was at stake will be held to more precise definitions of proofs of necessity and methods of procedure. And the enrichment of the dialog, Mr. President, can only mean enhancement for both the right of privacy and good law enforcement, if the present trend continues.

Second, and most important, the Berger decision has underscored the responsibility of the Congress to act. I am not suggesting that since the Supreme Court has drawn up a formula, the Congress is left only to fill in the blanks. Far from it: the Berger opinion suggests the greater suitability of the legislative process over the judicial process in balancing the effectiveness of and need for electronic surveillance against the dangers of overreaching and abuse inherent in broad grants of authority.

For instance, the opinion flatly states that no empirical statistics are available on the use of electronic devices in the war on professional criminal activity, and undertakes to analyze other proofs of effectiveness. The disagreement of the experts over proof afforded by the logs of intercepted communications now in the possession of the Justice Department—highlighted in an article I will append to these remarks—strongly suggests that other, compelling empirical evidence—unconsidered by the Court—may indeed be close at hand.

The opinion's unsupported assertion that law enforcement will not suffer if electronic surveillance is eliminated appears to be freighted on representations of Federal Government officials to that effect—opinion, page 20. A consensus of State officials could hardly be polled in a meaningful way in the limited confines of a court case. And the contrary opinions of an unbroken line of Attorney Generals preceding the present incumbent appear—in the limited space of the opinion—to have been overlooked.

Mr. President, at this point, I ask unanimous consent to have printed in the RECORD a penetrating review of this issue written by Marquis Childs; also several particularly pertinent editorials and articles on this subject which I commend to my colleagues in both Houses of Congress.

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

[From the Washington Post, July 21, 1967]

JUSTICE OR PRIVACY OR A BIT OF BOTH?

(By Marquis Childs)

The snoop, the spy, the professional eavesdropper, using advanced electronic techniques, is so detestable to most Americans that any attempt to legalize bugging runs up against automatic resistance. Yet, at the same time, deep concern over the hold the crime syndicate exercises, together with the growing lawlessness in the streets, persuades many Americans that law enforcement must use modern tools. It is between these poles of opinion that two Senate subcommittees are working on bugging proposals that will mean a head-on collision, first in the Judiciary Committee and then in all probability on the Senate floor.

Sen. Edward V. Long is backing the Administration measure that would outlaw all electronic snooping except where national security is involved. Attorney General Ramsey Clark, in a memorandum, puts all bugging out of bounds other than in the handful of cases touching espionage or subversion.

Chairman of a second subcommittee is stern, Draconian Sen. John McClellan. McClellan is backing a permissive wire-tapping bill patterned more or less after the New York State law that the Supreme Court held questionable in a recent decision. That same fate would befall any permissive measure, in the view of the specialists on Long's committee who have directed a series of hearings into the evils of wiretapping.

But the other day a witness who established his good faith as a civil libertarian—he is a member of the American Civil Liberties Union—made a powerful case for electronic surveillance under certain carefully restricted conditions. Prof. G. Robert Blakey of the Notre Dame Law School, conceding the difficult problem of striking a balance between privacy and justice, nevertheless argued that the hold of organized crime is so pervasive it can be reached only by intercepting the orders given by the overlords of Cosa Nostra.

Blakey described for the committee the activities of Raymond Patriarca, head of the New England "family" of Cosa Nostra. He analyzed a series of what are called airtels—records based in this instance on a listening device installed in a vending machine corporation in Providence, R.I., between March, 1962, and July 1965. The airtels were made public in a hearing in a tax charge against Louis (The Fox) Taglianetti, one of Patriarca's lieutenants.

As reviewed by Blakey, the records show the extraordinary power exercised by an overlord like Patriarca through Cosa Nostra. He orders summary executions. He can declare "martial law" in his "family." He grants or withholds permission to operate illegal businesses. He settles the division of profits. And as he consolidates his power, he insulates himself from possible criminal investigation.

Blakey puts the revenue of the nationwide organization of Cosa Nostra at $9 billion a year. This is a levy not on the middle class, nor even the lower-middle class, but on the poor in the big cities. It comes from gambling, chiefly the numbers racket, loan-sharking, drugs and prostitution. The victims are shut up in the ghettos of the Newarks and the Watts across the country. The tribute they pay to the syndicate far outweighs the benefits of the antipoverty program.

It is Blakey's conviction, based on his work with the President's Crime Commission and earlier with the Department of Justice, that Cosa Nostra is so powerful it can block any inquiry jeopardizing what is in effect its political immunity in city after city.

The sinister nature of this conspiracy was underscored by the President's Crime Commission, with documentation to show "It is dedicated to subverting not only American institutions but the very decency and integrity that are the most cherished attributes of a free society."

For the overlords who fight their way to power in this organized jungle, the end is wealth and even a kind of outward repectability. Thomas (Three Finger Brown) Luchese of the New York Mafia died the other day in his $100,000 home on Long Island and got a two-column obituary in the New York *Times* detailing how, apart from an early prison sentence for car theft, he directed with impunity a web of drugs, gambling, murder.

Blakey, as well as other witnesses, is convinced it is possible to strike a reasonable balance between privacy and justice. The Supreme Court's decision in the New York case, in this view, does not rule out permissive wire tapping under careful judiciary scrutiny.

Only through electronic surveillance can the crime syndicate be tracked down, and, in this same view, if it is not checked, the best efforts to free the victims of the ghettos from poverty will go for nothing.

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[From the Wall Street Journal, Aug. 8, 1965]

THE CITIZEN AND HIS PRIVACY

Disclosure that eager-beaver Internal Revenue Service agents have been illegally tapping private citizens' telephones has again focused attention on a muddled legal area. Surely it's time to clear up the confusion.

As things stand now, it is a Federal crime to wiretap and use the information for such purposes as providing evidence in court or aiding in crime detection. Yet several states permit wiretapping, under certain conditions, and allow the information to be used in court.

In such states local law enforcement officers regularly violate Federal law, though no one thinks of prosecuting them. As a matter of fact, even wiretappers who have nothing to do with law enforcement hardly need worry about Federal prosecution, since it's necessary not only to prove that they've done the tapping but also that they in some way have divulged the information so gathered.

The situation is especially chaotic in Washington, as the Senate Judiciary subcommittee's hearings have shown. IRS agents testified that the agency's Washington headquarters has been running a school to teach wiretap techniques. According to other testimony, IRS agents in Pennsylvania tapped the telephone of suspected racketeers, in this case violating not just Federal law but state law.

President Johnson pointed up the absurdity of the situation when he recently restated his ban on wiretaps by Federal agencies in other than national security cases. What he was saying again was, in effect, that Federal agencies should obey Federal law—except in security matters.

By now it should be clear that something more than a Presidential directive is called for. What is needed, it seems to us, is a careful rewriting of the 31-year-old Federal wiretapping law; no nation should put up with a statute that not only is unenforced but as a practical matter appears to be unenforceable.

Such a legal overhaul would, of course, take Congress into a controversial area which the lawmakers often have seemed anxious to avoid. Many law enforcement officials want wide leeway for wiretapping, while a number of civil liberties groups, legal authorities and others would like to outlaw telephone-tapping altogether.

Proponents of a complete ban have well-founded reasons for concern. Government in this country has grown so large and so all-pervasive that it's possible to picture agents, equipped with the miraculous gadgets of modern electronics, prying into the innermost secrets of our private lives.

On the other hand, there's a good deal to be said for the stand of the enforcement agencies. When organized crime often uses electronics for its nefarious ends, should we deny the same equipment to the police? Should we, in any and all cases, allow criminals their telephones as privileged sanctuaries?

Nonetheless, if it were necessary to choose either a complete ban or wide-open wiretapping, prohibition would be preferable. However useful the electronic equipment may be in law enforcement, it easily could become the tool of tyranny. But no such black-or-white choice is actually necessary.

It ought to be possible, for instance, to stipulate that wiretapping could be done only in sharply limited areas, such as investigations of national security matters and specified major crimes. Even in these areas, both the wiretapping and the use of the information obtained usually should be strictly controlled by the courts. In addition, practical procedures should be set up to firmly enforce the law.

As the Senate hearings have demonstrated once again, the nation needs to be vigilant to protect the privacy of the private citizen. But in its vigilance it need not tie the hands of those who protect the citizen himself.

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[From the Christian Science Monitor, Apr. 24, 1967]

U.S. CHALLENGED TO BACK WIRETAP PROPOSALS WITH EVIDENCE

(By Robert Cahn)

WASHINGTON.—Attorney General Ramsey Clark has been challenged at a congressional hearing, to show why Congress should override the wiretap and bugging laws of New York and four other states.

An expert consultant to the President's Crime Commission asked Mr. Clark to produce evidence. He is Prof. Robert Blakey of Notre Dame University, who testified before Rep. Emanuel Celler's House subcommittee on the judiciary, holding hearings on President Johnson's "right-of-privacy" bill.

Professor Blakey also divulged for the first time the details of the antisurveillance bill he had prepared for the National Crime Commission and which is sharply at odds with President Johnson's proposal.

Attorney General Clark had previously testified before the subcommittee that abolition of the legal use of wiretaps and bugs by law-enforcement officials would not impair law-enforcement effectiveness. The Attorney General is a strong backer of the President's bill which would outlaw all private or government wiretapping except when authorized by the President in the interests of national security.

If this bill is passed, it would supplant state statutes which allow court-authorized wiretapping and bugging in certain specific situations, mainly to fight organized crime.

ARGUMENT PURSUED

Professor Blakey, who worked for four years in the organized-crime division of the Department of Justice, said it should not be up to witnesses on his side of the issue to show why the use of electronic surveillance in combating crimes in states is not necessary, as the Attorney General had contended.

He also argued that the Attorney General cannot logically say electronic surveillance is not useful in fighting organized crime but is useful for the President in maintaining the national security.

"Congress has the right to find out if there is a need for law-enforcement officials to use wiretapping and bugging," Professor Blakey said.

One way might be to request from the Federal Bureau of Investigation the logs in cases where bugging has admittedly been used, and to study them in executive session.

Attorney General Clark had testified that he had studied these logs and found that the government use of electronic eavesdropping had been mostly wasteful and had produced little of value. It was ostensibly used for intelligence purposes, as it cannot be used in evidence.

The Blakey bill prepared for the President's Crime Commission follows President Johnson's bill in that it generally outlaws the interception and disclosure of wire or oral communications, and the manufacture of use of communication-intercepting devices.

AUTHORIZATIONS PROPOSED

Contrary to the administration bill, however, it has specific authorizations for law-enforcement use of electronic surveillance in specified serious crimes and under strict safeguards.

For federal use, the attorney general or any assistant attorney general can apply to a federal judge and show probable cause that crime or conspiracy exists in the serious crime areas. State law-enforcement officers must apply to state-court judges through the state attorney general or prosecuting attorneys of political subdivisions (police cannot apply themselves).

Two key areas of the Blakey draft bill, never yet brought into proposed legislation, are:

Inventory. Not later than a year after the termination of the surveillance order, the issuing judge shall have notice served on the persons named in the court order with the fact and date of the period of authorized interception.

Civil damages. Persons whose wire or oral communications are intercepted can recover civil damages from those who do the intercepting if such interception exceeds the provisions of the court order.

POWER LIMITATION URGED

Professor Blakey also would sharply limit the power of the President to authorize wiretapping or bugging.

President Johnson's proposed bill allows the President to take such measures as he deems necessary to protect the nation against actual or potential attack or other hostile acts of a foreign power, "or any other serious threat to the security of the United States. . . ."

The proposed statute, says Professor Blakey, "authorizes the wholesale, unlimited, unreviewed, unilateral use" of surveillance techniques in cases involving United States citizens.

"What does 'national security' mean?" he asked.

"There is no good reason why the use of these techniques in the domestic national-security area cannot be brought under a court-order system," he said, and not left to the President or the attorney general to determine without any checks.

The President's bill, which was introduced in the House by Mr. Celler, was "the worst one I have ever seen," Professor Blakey said. The witness said he had reveiwed every wiretap and bugging statute ever proposed.

Subcommittee Chairman Celler, who had been critical of the witness at the start of the hearing, by the end of the morning was admitting that Professor Blakey's ideas had merit.

The congressman even said he might accept limited court-authorized surveillance (which the President so strongly opposes). Mr. Celler recalled, however, that in previous years he had been unable to sell court-authorized wiretapping to the rest of the committee.

By their questioning, the four Republican members of Mr. Celler's subcommittee who were present appeared favorable to the ideas of Professor Blakey.

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[From the Christian Science Monitor, July 10, 1967]

RECONSIDER THE WIRETAP BAN

In issuing new regulations banning all wiretapping and practically all eavesdropping by federal agents, except in national security investigations, Attorney General Ramsey Clark has gone too far.

His purpose—to protect individual privacy in accord with the Fourth Amendment provision against unreasonable searches—is commendable. But constitutional rights are not absolute. Government errs when it interprets them so broadly that their enforcement would substantially endanger the public safety.

The individual's right to privacy, especially now that developments in technology makes invasion of that right increasingly easy, deserves adequate protection. But this right must always be weighed against the public's right to safety—its right to receive adequate protection against the ruthless and well-organized forces of the national crime syndicate.

The Attorney General's rulings mean that federal agents have been stripped of some of their most effective weapons in the warfare against organized crime. And at the very time when there exists the overwhelming need to escalate that warfare.

Mounting public pressure is building for a tough crackdown on crime, regardless of individual liberty. The Attorney General's regulations could well have the unintended effect of adding to that pressure, and thereby ultimately hurt more than help the cause he espouses.

The public as a whole have "certain unalienable Rights," among which are "Life, Liberty and the pursuit of Happiness." The government errs when it interprets the Fourth Amendment so liberally that it seriously impairs the ability of its own agents to protect these rights of all the people.

The Constitution was established not only to "secure the blessings of liberty" and "provide for the common defense" but to "insure domestic tranquility" and "promote the general welfare." Mr. Clark's regulations, going well beyond President Johnson's 1965 statement on the subject, fail to strike the needed balance.

He may have been anticipating that the Supreme Court will ban the use of eavesdropping devices which do not demand a physical trespass. In our judgment, he should not have so anticipated. And the court should not so decide. We also find unduly restrictive the decision not to permit wiretapping by federal agents where information gleaned will not be publicly divulged or introduced as evidence.

Without at least these uses of electronic surveillance—coupled, to be sure, with adequate administrative controls—we seriously doubt whether the government can mount an offensive capable of protecting the public from the insidious machinations of Mafia-type operations. We hope that the Attorney General will reconsider his extreme and rigid regulations in light of the pressing national need to root organized crime from the American scene.

Mr. PERCY. Again, Mr. President, I commend the Senator from Nebraska for his leadership in this very difficult field.

Mr. HRUSKA. I thank the Senator from Illinois for his support and his very useful and beneficial suggestions.

Mr. HANSEN. Mr. President, will the Senator from Nebraska yield?

Mr. HRUSKA. I am happy to yield to the Senator from Wyoming.

ORGANIZED CRIME—A CLEAR AND PRESENT DANGER TODAY IN OUR SOCIETY

Mr. HANSEN. Mr. President, last month the Congress of Racial Equality met in Oakland, Calif., and advised its members to take control of organized vice in the Negro community.

There is a terrible irony in this advice.

In the first place the advice comes from a group which was originally founded to bring equal opportunity, equal justice, and equal respect to its members. There has been a monsterous perversion if this group now feels it must embrace organized crime in order to achieve its ends.

It is true that organized crime is not a product of socioeconomic conditions. Organized crime will prosper wherever it is tolerated. But it is equally true that the chief victims of organized crime today are this Nation's poor. In addition to the havoc which the Cosa Nostra and the Mafia play with organized labor, with our big city political machines, and increasingly with legitimate business, the dealers in vice have come to prey most heavily on the ghetto dwellers of today.

Perhaps the leaders of CORE recognized something which the Attorney General of the United States has refused to recognize—that organized crime is a power which, in some places in this country, has already put to rout the workings of a lawful society. Perhaps organized crime has become such a dominant factor in the ghetto that the more frantic Negro leaders of today advise their people to get "their fair cut" of the massive fruits of organized vice.

"If you can't beat 'em, join 'em."

This cliche, which admits to both cynicism and helplessness, may apply here.

It is distressing to me that the administration has stubbornly refused to admit that organized crime is a clear and present danger today in our society. But the Nation is becoming aroused.

Therefore, it is most timely that my colleagues here in the Senate are discussing legislation to provide but one of many tools which our law-enforcement agencies may use in their fight against organized crime. S. 2050, which I was privileged to cosponsor when it was originally introduced, would allow for the electronic surveillance of organized crime figures through strict procedures supervised by the courts of our land. I am indeed pleased to see additional Members of the Senate speaking out in favor of this legislation, and I can assure them that we welcome their support.

I ask unanimous consent, Mr. President, that the remainder of my remarks be printed at this point in the RECORD.

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

Mr. President, on a number of other occasions I have spoken out on the Senate floor on what I consider to be our Nation's No. 1 domestic crisis—crime.

A great number of other Senators—from both sides of the aisle—have brought to this body their own thoughts on this threat which is steadily eroding away the basic foundation of our Nation—a strong system of law and order.

I see the problem of crime as being of two basic and very distinct parts. I see the problem that we face in seeking a solution to crime as rising out of two quite different areas. I wish now to discuss those areas.

The first concerns itself with the crimes of violence upon our Nation's streets, in our suburban communities and throughout America's teeming metropolitan areas. Of concern here are the day-by-day robberies, aggravated assaults, burglaries, rapes, and other such crimes which have increased by over 6 percent in the past year. It is in this area that the average criminal is 15 years of age. It is in this area that arrests of persons under 21 amounted to 31 percent of all arrests in 1965. It is also in this area that many of the causes for crimes are deeply embedded in the socioeconomic situations and in the alienation that is suffered by underprivileged youth.

I am afraid that, as far as this area is concerned, the cures that we have found most workable for crime have been but haltingly and inefficiently applied.

J. Edgar Hoover, Director of the FBI, has stated that the three major deterrents to crime are quick apprehension, speedy trial, and just, but strict, punishment. Mr. President, I feel that we have failed in all three areas.

Our law-enforcement officers are, in a great many cases, underpaid and ill-equipped. Their spirit is poor and their status, in the eyes of the public, is low.

Our Nation's court system is presently suffering from overloaded dockets and an inadequate number of court officials to handle the increasing loads. A speedy trial leading to prompt execution of sentence seems to be a thing of the past.

Just in passing I would add, Mr. President, that we need a complete overhaul of our penal system. I think that the fact that a great deal of our Nation's crime is committed by chronic offenders is a disturbing indictment of our system of justice.

We need to reexamine our attitudes toward certain crimes and adjust the penalties to be in keeping with the severity of the offenses. We need to make rehabilitation an integral part of the first offender's imprisonment, while separating him from the hardened criminal. We need further, a tightening up of our parole procedures so that we may release those individuals who can become self-supporting members of our society, while insuring safety on our Nation's streets. Further, I would suggest that each of our 50 States take a very careful look at their prison system. Perhaps given some basic reform it will be possible to reduce the danger upon our streets.

But yet, Mr. President, there is another chapter to the story of crime in America. There is another element in the equation that has increased crime since 1960 by 46 percent while the U.S. population has gone up but 8 percent.

The second half of the story of crime is for the most part an untold story. The decomposed bodies discovered on that New Jersey chicken farm could not tell their story. The victims of the almost weekly gangland slayings in many of our larger cities cannot reveal the intricate details behind that other element—organized crime.

Mr. President, this is the other half of crime in America. Unlike the half I have already discussed, it is not linked to the socioeconomic conditions of our Nation's poor. It is carefully hidden behind legal businesses, and well-established fronts. It is well entrenched in many areas of the economy which, on the surface, appear innocent. Barber shops, brokerage houses, real estate, restaurants, construction, house wrecking, garbage removal, garment manufacturing, vending and coin machine operation, entertainment, and sports have all been infected by organized crime, as have organized unions and big city political machines.

Further, organized crime has most recently moved into illegal traffic in stimulants and depressants—including LSD and other such hallucination-producing drugs. Mr. John Finlator, Director of the Bureau of Drug Abuse Control Agency of the Food and Drug Administration, stated before a House Committee on June 27, 1967:

"And we do find elements of these (Cosa Nostra and Mafia type) hoodlum organizations in the illicit traffic in depressant and stimulant drugs.

"We know there is an extremely well-organized traffic in LSD functioning now . . . We have investigative intelligence that this organization is affiliating with hard-core, Cosa Nostra-type criminal figures."

The problems which present themselves to our law agencies with regard to organized crime are not problems of unemployment, poverty, mental illness, inadequate housing, poor race relations, or too little food in the icebox. Organized crime is not involved in two-bit grocery store robberies, stealing cars, slashing tires, assaulting citizens, or raping young women. Organized crime is busily involved in gambling, narcotics, shylocking, prostitution, extortion, and other activities accumulating takes estimated to be many billions of dollars a year.

I might add as an aside, Mr. President, that while these two areas are separate and the

causes for each are entirely different, nevertheless there is a definite relationship between the two. The example that the young mobster offers to the children of the ghettos is far from a good one. To the youth in the ghetto it appears that the sure path to money and prestige is that of a "soldier" in a Cosa Nostra family.

The new Attorney General has apparently forgotten this side of crime. He has apparently decided to ignore one-half of the equation. And as any young person will tell you, Mr. President, you cannot solve any problem until you know all the elements of the equation.

Ramsey Clark never speaks of organized crime. He speaks always of the poor. But the cold hard facts are that organized crime preys most heavily upon the poor. We need only to read the words of Mr. Anthony Francis Gonzales, chairman of the American Spanish Committee, when he wrote in a letter to the New York Times, "The dictates of sound legal reasoning command that law and order must be maintained to assure the safety of the inhabitants of the state. And unreasonable burdens upon the law-enforcement agencies, which the recent judicial decisions imposed, smack contrary to legal precedent and leave in their wake our present increases in criminal behavior." To the law-abiding lower classes the greatest danger, the greatest source of evil, is the ever present fear of crime—and especially organized crime.

Mr. Clark tells us that "we do ourselves a great disservice with statistics." He feels that there is no crime wave in this country. Yet the President's Crime Commission has found that the statistics on crime in this country is many time larger than is indicated by the FBI figures.

But not only has the Attorney General denied the existence of crime to the extent that most admit it to be, he has declared that our law-enforcement agencies greatest weapon against that crime is "neither effective nor highly productive." Thus he has become the first Attorney General in the history of electronic surveillance devices to voice disapproval of wiretapping. Our Nation's head policeman since early this year, Mr. Clark has further declared that organized crime is a "tiny part" of the entire crime picture. A multibillion-dollar business is certainly not so "tiny" that it could dance on the head of a pin. Mr. Clark seems aware of neither the tremendous scope of organized crime nor the effectiveness of wiretapping in combatting it. I will not discuss the former. I feel that a reading of the morning paper or an examination of the President's Crime Commission report are sufficient in revealing organized crime's fantastic scope.

But I would like to discuss for a few moments the Attorney General's contention that electronic surveillance is "neither effective nor highly productive."

Eliot Lumbard, Gov. Nelson Rockefeller's special assistant counsel for law enforcement has been quoted as saying, "If wiretapping is lost, we will lose the most important and effective source of information—that we wouldn't get otherwise—in the most difficult kinds of cases. Without that source, we practically give an immunity bath to the really sophisticated operators." I would like to emphasize two portions of this statement: "that we wouldn't get otherwise" and "the really sophisticated operators." Mr. President, according to Mr. Lumbard, without wiretapping our Nation's law-enforcement officers would be without an effective weapon against organized crime.

New York District Attorney Frank Hogan believes that wiretapping is his "single most valuable and effective weapon . . . particularly against organized crime." In the 10 years prior to 1958, Mr. Hogan's office made 733 legal wiretap installations which resulted in 465 arrests and 364 convictions.

If my calculations are correct, Mr. Hogan was able to obtain indictments in 63 percent of the cases where wiretap installations were made. Seventy-eight percent of these indictments then resulted in conviction.

According to Tom Wicker of the New York Times, "Most of these convictions were in the areas of organized crime and racketeering, and Hogan contended that the particular nature of these activities—highly organized, highly secret, highly efficient—made wiretap evidence the only effective weapon against them."

Mr. President, between 1961 and 1966 the Justice Department with the assistance of the FBI and the Internal Revenue Service, and with a yearly expenditure of $20 million on the organized crime level, succeeded in identifying approximately 5,000 members of the Cosa Nostra. Yet, the Department was only able to obtain indictments on approximately 200 of these individuals, resulting in but 100 convictions. That gives them about a 2 percent batting average against the hard core in organized crime.

I think that a comparison of the relative success of Mr. Frank Hogan, the district attorney of New York County, and the Justice Department of the United States indicates the vital necessity of providing all of our law-enforcement agencies—both State and local—with the essential weapon in combatting crime—electronic surveillance devices.

But the voices in favor of a limited use of wiretapping come not only from the State and local level. The Task Force on Organized Crime made the positive black-letter recommendation that, "Congress should enact legislation dealing specifically with wiretapping and bugging." The task force report said, "All members of the Commission believe that if authority to employ these techniques is granted it must be granted only with stringent limitation . . . A majority of the members of the Commission believe that legislation should be enacted granting carefully circumscribed authority for electronic surveillance to law-enforcement officers to the extent it may be consistent with the decision of the Supreme Court in Berger against New York and, further that the availability of such specific authority would significantly reduce the incentive for, and the incidence of, improper electronic surveillance."

Lest any doubt exist concerning the effectiveness of wiretapping, let me quote from the public record. From March 1962 until July 1965 the Boston office of the FBI maintained an electronic device in the office of the National Cigarette Service, a vending machine corporation, located at 168 Atwell Avenue in Providence, R.I., in order to obtain strategic intelligence concerning the activities of Raymond Patriarca, the head of the New Engalnd "family" of La Cosa Nostra. The information contained in the airtels or summaries of daily logs kept by Bureau agents, which were later printed in the Providence Journal is astounding. Prof. G. Robert Blakey, professor of criminal law and procedure at Notre Dame Law School, a special prosecutor in the Organized Crime and Racketeering Section of the Department of Justice for 4 years, made a statement before the Subcommittee on Criminal Laws and Procedures concerning these airtels in which he said in part:

"What I find so terribly convincing about these airtels is that here it is from the peoples' mouths, no question about an informant being paid—this is it. And what did those ten airtels give you? I have outlined it in great detail in my statement and I don't want to repeat all of that here. But just from those ten documents it established the existence of the Cosa Nostra, it established in structure, it establishes its functions of the various members, it indicates its powers of the various members—for example the boss, it gives you the size of various families, it can give you the geographical extent of the operation and I say that this indicates that Cosa Nostra was actively operating in such states as Rhode Island, Illinois, Maryland, Washington, New Jersey, Massachusetts, Florida, and Pennsylvania. It gives you an indication that it was operating on an international scale, apparently a group in Canada. It gives you an indication of some of the activities that the Cosa Nostra is in, including murder, kidnapping, extortion, fraud, bribery, loan sharking, gambling. It gives you some indication of some of the legal activities that they are in—the infiltration of business including legitimate legalized gambling, labor unions, race tracks, vending machines, liquor. It shows the associates of this one boss, who were of every major hood in the country who has graduated from the Drug Store Cowboy stage, was contacted at one time or another by Raymond Patriarca. The only description that I can give capsulized of just both airtels is that you imagine yourself, if you could have put an electronic device in on an Italian duke in the 16th century, who was disbursing largesse, ordering killings and this sort of thing. That is exactly what you got when you went in on Raymond Patriarca, and it wasn't Italy, it was in the United States today."

Mr. President, it is astounding to me that Ramsey Clark would make such a sweeping statement as he has, declaring all wiretapping to be neither effective nor highly productive. I find it especially shocking and disturbing that he would make such a statement in the light of the position of so many of our Nation's law-enforcement officers. From the President's Crime Commission to a representative of the academic community to the district attorney of New York the general feeling is that the Nation's law-enforcement officers need the legal ability to wiretap in order to effectively combat organized crime.

The *Berger* decision allows for the strictly regulated use of wiretapping—why should it not, therefore, be used. Its effectiveness has already been indicated and indeed highly documented.

And, inded, if wiretapping were so ineffective why would it be used at all as apparently it will be since its use is now reserved by the Justice Department and the President exclusively for national security cases.

Mr. President, we need clear, concise, legal restrictions on wiretapping. The power to decide when and where it should be used is too great to be entrusted to one man alone—regardless of who he may be. Let me quote Professor Blakey once again in this regard.

"I personally am very deeply concerned because I see in this a bill a grant, in effect, or ratification, in effect, of authority to the executive department unilaterally to wiretap or bug whatever it deems fit . . . The constructive suggestion I would make is that the traditional American way of putting a check on the definition that an Executive might give (be maintained)."

Mr. President, there is a feeling throughout this country that crime has been allowed to go too far. There is a feeling that it is time that the Congress of the United States took some positive action against the ever-increasing crime rate. This legislation is a vital part of such action.

Mr. HRUSKA. Mr. President, I am very grateful for the remarks and support of the Senator from Wyoming. I should like to ask him, inasmuch as he has spoken out at great length recently concerning the use of LSD and other hallucination-causing drugs, whether there is a possibility that organized crime could be involved in this area as well as in the many others to which he has referred.

Mr. HANSEN. Mr. President, I shall be glad to respond to the distinguished Senator who is the sponsor of the bill.

Organized crime has most recently moved into illegal traffic in stimulants and depressants—including LSD and other such hallucination-producing drugs. Mr. John Finlator, Director of the Bureau of Drug Abuse Control Agency of the Food and Drug Administration, stated before a House committee on June 27, 1967:

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We know there is an extremely well-organized traffic in LSD functioning now . . . We have investigative intelligence that this organization is affiliating with hard-core, Cosa Nostra-type criminal figures.

This bears out precisely the concern we have raised.

Mr. HRUSKA. On another point, the Attorney General, Mr. Clark, has often asserted that wiretapping is neither effective nor highly productive. Does the Senator know of any evidence that would effectively refute that statement?

Mr. HANSEN. New York County district attorney, Frank Hogan, believes that wiretapping is his "single most valuable and effective weapon—particularly against organized crime." In the 10 years prior to 1958, Mr. Hogan's office made 733 legal wiretap installations which resulted in 465 arrests and 364 convictions. According to Tom Wicker of the New York Times:

Most of these convictions were in the areas of organized crime and racketeering, and Hogan contended that the particular nature of these activities—highly organized, highly secret, highly efficient—made wiretap evidence the only effective weapon against them.

Mr. President, between 1961 and 1966 the Justice Department, with the assistance of the FBI and the Internal Revenue Service, and with a yearly expenditure of $20 million on the organized crime level, succeeded in identifying approximately 5,000 members of the Cosa Nostra. Yet, the Department was only able to obtain indictments on approximately 200 of these individuals, resulting in but 100 convictions. That gives them about a 2 percent batting average against the hard core in organized crime.

I think that a comparison of the relative success of Mr. Frank Hogan, the district attorney of New York County, and the Justice Department of the United States indicates the vital necessity of providing all of our law-enforcement agencies—both State and local—with the essential weapon in combatting crime—electronic surveillance devices.

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

Mr. HANSEN. I yield.

Mr. JAVITS. I noticed with great interest that the Senator referred to Frank Hogan, the district attorney of my county, and to Governor Rockefeller of my State, in aid of the bill. As the Senator knows, I was attorney general of New York in the years of 1955 and 1956. As attorney general, I had the power the district attorney has to institute proceedings which could result in electronic surveillance, as it is euphemistically called.

I would say to the Senator that it is by no means an open-and-shut case. The Senator knows I am very proud of my record on civil rights and civil liberties. I think it would be most unfair to the Senator and his colleagues to proceed on the theory that it is unthinkable for us to engage in crime detection with some form of electronic surveillance. So I will say to the Senator that I will study his bill very carefully and do my utmost to see if there is some way my own experience can be helpful to him. If I think his bill is worthy, I may well ask to have my name added to it.

Mr. HRUSKA. The sponsorship of the Senator from New York would be most welcome. S. 2050 was introduced following the decision on June 12, 1967, by Justice Clark in the case of Berger against New York. There, several standards were set forth almost by way of guidelines. Those items have been scrupulously considered in the bill, as against the day when there may be final passage and later a court test, so we may adhere to them as nearly as possible.

Mr. JAVITS. It should be interesting to the Senator for me to observe that when I was attorney general I had a set of guidelines and an office directive that all my people should prepare applications to comply with the rules that were made as well as the rules which were incorporated in the statute.

I am grateful to the Senator for yielding.

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

Mr. HRUSKA. I yield to the Senator from Illinois.

Mr. PERCY. The Attorney General has said that organized crime is but a tiny part of the total crime picture. Is the Senator privy to information of the organized crime picture as being different?

Mr. HANSEN. Lest any doubt exist concerning the effectiveness of wiretapping, let me quote from the public record. From March 1962 until July 1965 the Boston office of the FBI maintained an electronic device in the office of the National Cigarette Service, a vending machine corporation, located at 168 Atwell Avenue in Providence, R.I., in order to obtain strategic intelligence concerning the activities of Raymond Patriarca, the head of the New England "family" of La Cosa Nostra. The information contained in the airtels or summaries of daily logs kept by Bureau agents, which were later printed in the Providence Journal is astounding. Prof. G. Robert Blakey, professor of criminal law and procedure at Notre Dame Law School a special prosecutor in the Organized Crime and Racketeering Section of the Department of Justice for 4 years, made a statement before the Subcommittee on Criminal Laws and Procedures concerning these airtels in which he said in part:

What I find so terribly convincing about these airtels is that here it is from the peoples' mouths, no question about an informant being paid—this is it. And what did those ten airtels give you? I have outlined it in great detail in my statement and I don't want to repeat all of that here. But just from those ten documents it established the existence of the Cosa Nostra, it established its structure, it establishes its functions of the various members, it indicates its powers of the various members—for example the boss, its gives you the size of various families, it can give you the geographical extent of the operation and I say that this indicates that Cosa Nostra was actively operating in such states as Rhode Island, Illinois, Maryland, Washington, New Jersey, Massachusetts, Florida, and Pennsylvania. It gives you an indication that it was operating on an international scale, apparently a group in Canada. It gives you an indication of some of the activities that the Cosa Nostra is in, including murder, kidnapping, extortion, fraud, bribery, loan sharking, gambling. It gives you some indication of some of the legal activities that they are in—the infiltration of business including legitimate legalized gambling, labor unions, race tracks, vending machines, liquor. It shows the associates of this one boss who were of every major neighborhood in the country who has graduated from the Drug Store Cowboy stage, was contacted at one time or another by Raymond Patriarca. The only description that I can give capsulized of both airtels is that you imagine yourself, if you could have put an electronic device in on an Italian duke in the 16th century who was disbursing largesse, ordering killings and this sort of thing. That is exactly what you got when you went in on Raymond Patriarca, and it wasn't Italy, it was in the United States today.

That concludes, Mr. President, a very graphic and to me shocking description of but some of the activities of organized crime.

Mr. President, I ask unanimous consent that the complete statement of Prof. G. Robert Blakey before the Subcommittee on Criminal Laws and Procedures of the Committee on the Judiciary on June 11, 1967, be printed in the RECORD at this point; and also the following items:

A Washington Star editorial of July 16, 1967, entitled "Our Real Need: A Meaningful War on Crime."

An article from the New York Times of July 11, 1967, by Tom Wicker, "In the Nation: Is Wiretapping Worth It?"

An article from the New York Times of July 13, 1967, by Charles Grutzner on "Crime in Westchester: The Roots of Organized Crime Run Deep in Suburban Life and Stress."

A Life magazine editorial of April 21, 1967, entitled "Ways To Control Snooping."

An editorial from the Washington Star of July 12, 1967, entitled "The Phony War on Crime."

A Washington Star editorial of July 4, 1967, concerning statements made by William O. Bittman concerning wiretapping.

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

STATEMENT OF PROF. G. ROBERT BLAKEY, TO THE SUBCOMMITTEE ON CRIMINAL LAWS AND PROCEDURES, OF THE COMMITTEE ON THE JUDICIARY, U.S. SENATE

Mr. Chairman, members of the Committee: My name is G. Robert Blakey. I am a professor of law at the Notre Dame Law School. My subjects include Criminal Law and Procedure and a special seminar on organized crime. My appearance here today is personal. My views are my own. They should not be attributed to any group or or-

ganization with which I am now or have been associated in the past.

I deeply appreciate this opportunity to appear before you and discuss the problems associated with the use and abuse of electronic surveillance. There can be no question that these problems are some of the most vexing that this Body has ever faced. Striking the proper balance between privacy and justice in a free society is always difficult. All too often controversies in this area tend to become arid debates between contending ideologies. Too often aspects of the problem are identified as the whole problem. Here, as elsewhere, we must view things in context. "For that which take singly and viewed by itself may appear to be wrong when considered with relation to other things may be," as Burke says, "perfectly right—or at least such as ought to be patiently endured as the means of preventing something that is worse." (Stanlis, *Edmund Burke: Selected Writings and Speeches* 318 (1963))

I have on other occasions taken up some of the problems associated with electronic surveillance. In the June issue of *Current History* (Blakey, "Organized Crime in the United States" 52 *Current History* 327 (1967)), I discussed the scope and challenge of organized crime in the United States today. As a special consultant to the President's Commission on Crime and the Administration of Justice, I prepared a detailed legal analysis of the evidence gathering process in organized crime investigations, which included a proposed statutory scheme for court controlled electronic surveillance. (Blakey, "Aspects of the Evidence Gathering Process in Organized Crime Cases" *Task Force Report: Organized Crime* 80, 91–113 (1967)) I do not want today to repeat what I said on those occasions. Instead, I would like to discuss two questions with you: the implications of the Supreme Court's recent decision in *Berger* v. *New York* No. 615, decided June 12, 1967 and the assertion made by some that electronic eavesdropping is "neither effective nor highly productive." (Statement attributed to the Honorable Ramsey Clark, Attorney General of the United States, *New York Times* May 19, 1967 p. 23, col. 1)

I

*Berger* v. *New York*, of course, reversed by a vote of 6 to 3 the conviction secured through a court ordered eavesdrop of a New York public relations man for conspiracy to bribe the chairman of the New York State Liquor Authority. Mr. Justice Clark delivered an opinion for the Court in which the Chief Justice and Justices Brennan, Fortas and Douglas joined. Justices Douglas and Stewart each concurred in the reversal for special reasons of their own. Dissents were filed by Justices Harlan, Black and White.

Broadly, the majority reversed because the New York statute which authorized the eavesdrop on its face failed to meet certain standards the Justices felt constitutionally mandatory; they did not undertake to examine the administration of the statute. Significantly, they indicated that a statute meeting those standards would pass constitutional muster. The dissenters, on the other hand, would have upheld the statute as administered without addressing the broad questions found by the majority to be presented by the face of the statute. In a very real sense, the majority and the minority did not disagree so much on the answers to be given but on the questions to be asked. Indeed, if a different case were presented to them tomorrow involving a new statute constructed on the blueprint laid down in the majority opinion and administered according to the criteria of the dissenters, I would fully expect to find the Court by a substantial majority upholding the statute and affirming the conviction if it were secured through the careful use of electronic surveillance techniques. In short, I read *Berger* as an invitation by the Court to the Congress to get down to the difficult business of drafting a fair, effective and comprehensive electronic surveillance statute. All that remains now is the question of legislative will.

II

Mr. Justice Clark began his opinion with a careful delineation of the issues which he felt faced the Court. He noted that Berger essentially challenged the New York statute on three grounds: 1) the statute on its face set up an unconstitutional system of trespassory intrusions into constitutionally protected areas, 2) it authorized searches for "mere evidence," and 3) electronic surveillance constituted a violation of the privilege against self incrimination.

Mr. Justice Clark immediately relegated to a footnote Berger's contention that the statute could not stand because of the evidence per se rule. This contention was, he said, settled adversely to Berger by the Court's recent decision in *Warden* v. *Hayden*, No. 480 decided May 29, 1967, which overturned the old rule. Justices Harlan and White explicitly agreed with the majority on this score. Only Mr. Justice Douglas lamented the passing of the rule. He would have employed it to strike down all electronic surveillance however authorized or limited. Until the Court's decision in *Berger*, the evidence per se rule represented an implacable foe. Its demise was a significant victory for those who advocate carefully controlled court order electronic surveillance.

Mr. Justice Clark next announced the holding of the majority: ". . . the language of New York's statute is too broad in its scope resulting in a trespassory intrusion in a constitutionally protected area and is, therefore, violative of the Fourth and Fourteenth Amendments." He then noted that this disposition obviated the necessity of a discussion of the other issues raised.

The recognition by a majority of the Court that the constitutionality of electronic surveillance was properly handled solely in terms of the search and seizure standards of the Fourth Amendment was of enormous importance. The American Civil Liberties Union of New York as amicus strenuously pressed on the Court First Amendment objections to the New York statute. They presented an extraordinarily able brief arguing that all electronic surveillance—court order or otherwise—had an unconstitutionally inhibiting effect on free speech. As I just noted, the Court found it unnecessary to discuss this point. I think we may therefore infer that the Court has rejected it on the level of a principle which would render a court order system per se unreasonable. Indeed, Mr. Justice Harlan in dissent explicitly makes the point that the First Amendment would only have a case by case impact in this area. This, too, is a significant victory for those who advocate carefully controlled court order electronic surveillance.

The majority's similar treatment of Berger's Fifth Amendment self incrimination claim carries with it an identical inference. We may safely conclude that there is no danger now of the Court expanding the traditional scope of the privilege against compulsory self-incrimination into an insuperable barrier to court order electronic surveillance. This conclusion is buttressed by the treatment the dissenters accorded this claim. Both Harlan and White dismissed the claim with cryptic cites to recent opinions of the Court such as *Hoffa* v. *United States*, 385 U.S. 293 (1967), which hold that a finding of compulsion is a necessary predicate to the application of the privilege. Again, we have a significant victory for the advocates of carefully controlled electronic surveillance.

III

Having thus announced the holding of the majority, Mr. Justice Clark moved to an analysis of the case. He first set out a short description of the facts of the case, which, I might add, constituted a truly frightening example of the danger governmental corruption poses in a society which today finds so many aspects of its business and private life regulated by government. Next he gave a short review of the legal and factual history of eavesdropping covering the ground from the old fashioned practice of listening outside windows to modern techniques of wiretapping and bugging. I only wish he had also traced the growth and development of organized crime and shown the threat it presents to so many sectors of our national life. Curiously, too, he attributed to California a court order bugging statute. Finally, he reviewed the history of the Court's own cases dealing with the constitutional principles involved in electronic surveillance.

Mr. Justice Clark's review for the majority of the history of the Court's own cases is especially important. Traditionally, the Court has drawn a distinction between wiretapping and bugging. Wiretapping has never been treated as a violation of the Fourth Amendment, since it does not involve an actual entry into a constitutionally protected area. Instead, the Court has treated it as a violation of Section 605 of the Federal Communications Act of 1934 (48 Stat. 1103). Bugging, on the other hand, has been rejected as a law enforcement technique only where it was accomplished through a physical invasion without warrant into a constitutionally protected area. Otherwise, it has been upheld. Many people fully expected the Court to overturn this distinction and hold unconstitutional the unconsented or unwarranted overhearing of conversations which took place within a constitutionally protected area or which were projected over constitutionally protected means. Surprisingly, the Court did not disturb its precedents. (Mr. Justice Douglas in his concurring opinion observes that *Olmstead* v. *United States*, 277 U.S. 438 (1928), which held on two grounds—no trespass and no tangible seizure—that wiretapping did not violate the Fourth Amendment, was overruled, but I think he is right in this only on the second ground, and that this result had been obtained anyway in other cases.) Instead, Mr. Justice Clark chose for the majority to handle the case within the rather narrow confines of the Court's old precedents. This means, of course, that wiretapping remains—at least for now—purely a policy question for Congress, and nontrespassory bugging poses—as yet—no constitutional questions. This result will probably not withstand the pressure of further appeals in the area—the Court has a nontrespassory bugging case on its docket for next term—but it does give the Congress and the states considerable room for legislative activity now. If a comprehensive scheme of regulation were now adopted, moreover, this might obviate the necessity for further Court action in this area on the constitutional level. In the long run, this course of action would be preferable, since legislative solutions are more amenable—at least in theory—to reform in light of experience.

IV

After noting that the standard was the same for federal and state authorities—and that the standard was the "reasonableness" of the search under the Fourth Amendment and the opinions of the Court applying that Amendment—Mr. Justice Clark subjected the face of the New York statute to a detailed analysis. First, he noted with approval that the statute employed the court order technique with its "neutral and detached magistrate." He then raised, but did not press, an objection going to the difference in terminology employed by the Fourth Amendment and the statute on the question of pre-search justification. The Fourth Amendment says "probable cause," while the statute said "reasonable ground." Mr. Justice Harlan rightly pointed out in dissent

that the distinction was without difference. I suppose, on the other hand, that legislators would be prudent to employ the right terminology in the future. In any event, he then moved to what the majority found to be the central objection to the statute: its "blanket grant of permission to eavesdrop . . . without adequate judicial supervision or protective procedures."

Mr. Justice Clark first noted with disapproval that the statute was not limited to particular offenses and that the statute did not require a description of the type of conversations to be overheard. Absent this sort of particularization, the statute gave, he said, the officer executing the order "a roving commission." In contrast, Mr. Justice Clark held up for a model the procedures used to approve the tactical use of electronic surveillance techniques given approbation by the Court in *Osborn* v. *United States*, 385 U.S. 323 (1966). There, federal officers sought judicial authorization for the overhearing of bribery conversations which the agents had probable cause to believe were going to take place at a meeting in a lawyer's office on a particular afternoon. For Mr. Justice Clark, the face of the statute did not contemplate that sort of discriminating use of electronic surveillance techniques. Its authorization was blanket in all cases.

Mr. Justice Clark pointed out next that the face of the statute apparently automatically authorized a two-month period of continuous surveillance. This, he said, was the equivalent of authorizing a series of intrusions even though a single limited showing of probable cause might have been made. In contrast, *Osborn* had upheld a surveillance carefully tailored to intrude only to the extent required to meet the limited objective established as reasonable by the showing of probable cause. In *Osborn*, the constitutional standard of reasonableness was met, for "no greater invasion of privacy was permitted than was necessary under the circumstances." The *Osborn* authorization, too, envisioned a quick termination of surveillance once the officer's limited objective was achieved. In contrast, the New York statute apparently permitted the surveillance to continue for the statutory period even though the objective for which the order had been sought may have been realized. Extensions could also be obtained on the mere showing that it was in the "public interest." No new showing of probable cause was apparently required. The New York statute, in short, failed to draw a careful distinction between tactical and strategic surveillance and failed to require a showing proportionate to the two distinctly different uses of electronic surveillance. Permitting what amounted to strategic surveillance on a tactical showing was, Mr. Justice Clark observed, "a blanket grant." As Mr. Justice Stewart observed in his concurring opinion: "The standard of reasonableness embodied in the Fourth Amendment demands that the showing of justification match the degree of intrusion." Legislators contemplating new legislation in this area would do well, therefore, to draw a sharp distinction between the showings required and the authorizations granted depending on the contemplated use of the surveillance techniques. Provision, too, should be made for quick termination when the objective is reached and for close periodic supervision during an extended duration of surveillance.

Finally, Mr. Justice Clark recognized the distinct difference between the conventional warrant and the electronic surveillance warrant: the electronic surveillance warrant depends for its success on the absence of notice. Yet Mr. Justice Clark observed the New York statute required no showing of "special facts" or "exigent circumstances" to overcome the normal requirement of presearch notice. Here, of course, Mr. Justice Clark was undoubtedly referring to the sort of analogous situation sustained by the Court in *Ker* v. *California*, 374 U.S. 23 (1963), a case in which he authored the majority opinion sustaining unannounced entry to arrest and search where there was reasonable fear that announcement might result in the destruction of evidence otherwise lawfully subject to seizure. Such a showing of "special facts" or "exigent circumstances" would unquestionably be met by a legislative requirement that judicial authorization for the use of electronic surveillance techniques be conditioned on a showing that "normal investigative procedures have been tried and have failed or reasonably appear to be unlikely to succeed if tried." This is the English standard now for the use of wiretapping on the Home Secretary's warrant. (Devlin, *The Criminal Prosecution in England* 65–69 (1958)). Mr. Justice Clark observed, too, that there was no requirement of post-search notice. No inventory or return was required to be filed. This requirement, of course, presents no legislative difficulty. Indeed, it is already a requirement on conventional warrants. (Cf. Fed. R. Crim. Proc. 41(d))

V

Having thus finished articulating the majority's blueprint for constitutional electronic surveillance, Mr. Justice Clark took up the question of need. First, he noted the opinion of the majority of knowledgeable law enforcement officials that the use of these techniques is indispensable. He then noted that this opinion is today not supported by empirical statistics. I only wish he had also explained why empirical statistics are needed. Much of our modern understanding of human psychology, for example, rests on clinical not empirical data. Yet the law has rightly not demanded empirical proof before it has updated its techniques in that area. Here, of course, informed law enforcement opinion is the comparable clinical data. Hopefully when new legislation is passed in this area, it will provide for the gathering of this data.

Mr. Justice Clark did, however, refer to some statistics collected in the early 1950's, which, according to him, seemed to show that wiretapping was not needed in organized crime cases. Curiously, he classified extortion as not involving organized crime, and seemed to feel that a quantified judgment, that is, a percentage judgment, could be made of the importance of the cases. The English Privy Councilors who studied wiretapping in England over a twenty year period—concluding that both the interests of privacy and justice could be well-served in a system of controlled electronic surveillance—answered Mr. Justice Clark's mistaken notion in these terms:

"We cannot think it to be wise or prudent or necessary to take away from the Police any weapon or to weaken any power they now possess in their fight against organized crime. * * * If it be said that the number of cases where methods of interceptions are used is small and that an objectionable method could therefore well be abolished, we feel that . . . this is not a reason why criminals in the particular class of crime should be encouraged by the knowledge that they have nothing to fear from methods of interception. * * * This, in our opinion, so far from strengthening the liberty of the ordinary citizen, might very well have the opposite effect."

(*Report of the Committee of Privy Councillors Appointed to Inquire* into the Interception of Communication (1957), reprinted in *Wiretapping, Eavesdropping and the Bill of Rights*, Hearings before the Subcommittee on Constitutional Rights of the Committee on the Judiciary, United States Senate, 85th Cong., 2nd Sess. Pt., 460–99 at 489 (1958)).

Mr. Justice Clark also referred to the recent confessions of the Department of Justice in certain bugging cases. He noted that the Department has stated that it presently no longer plans to use the techniques in organized crime cases. Interestingly, he did not note the Department's announcement that it would continue to use them in the future without judicial supervision of any type albeit in a more serious class of cases. Here I cannot help but speculate with Mr. Justice White how the federal government can constitutionally use these techniques in "security cases" on the national level but state governments cannot use these techniques even under judicial supervision in "security cases" on the local level.

Mr. Justice Clark, also Mr. Justice White in dissent rightly observes, "incredibly suggests" that there has been no breakdown of federal law enforcement in the area of organized crime. Here, of course, he simply ignores, as Mr. Justice White points out, the findings of the President's Crime Commission, which were brought to the Court's attention in the briefs of the parties. Nothing in the briefs or the record suggests that these findings are not in accord with the true situation. I cannot but feel with Mr. Justice White that on this score the Court is not dealing with the "facts of the real world."

"In any event," and this is important, Mr. Justice Clark for the majority found the question of need not determinative. For the majority, their blueprint for constitutional electronic surveillance was compelled by the interest of privacy independent of the interests of justice. Their standard was no mere "formality". Yet it was not, Mr. Justice Clark said, "inflexible, or obtusely unyielding to the legitimate needs of law enforcement." Instead, it was merely the "basic command of the Fourth Amendment."

Finally, Mr. Justice Clark indirectly referred to the opinions of the dissenters and the suggestions there made that no warrant or statute could be drawn to meet the majority's requirements. He then conceded if that were true the fruits of eavesdropping had to be banned under the Fourth Amendment. But he followed his concession quickly with the reminder that the Court had approved the careful use of electronic surevillance techniques in the past and suggested that the majority was not willing to make the "precincts of the home or office . . . sanctuaries where the law can never reach." The Court, he said, only wanted the use of these techniques to meet "a constitutional standard." The New York statute for them did not meet that standard. Had it been drafted differently, it would have been sustained. Because it was not, it had to be struck down. But he left the clear impression that if the statute were redrafted along the lines suggested by the majority it would be upheld.

VI

The Court has thus given this Body the blueprint for a constitutional system of authorized electronic surveillance. Only the question of legislative will remains. One obstacle to that will is the strange position of the present Attorney General. As I noted at the beginning of this statement, it is apparently the position of Mr. Clark and others that electronic eavesdropping is "neither effective nor highly productive." Testifying before Subcommittee No. 5 of the House Judiciary Committee, he suggested that this opinion was based on an examination of the logs kept by the Federal Bureau of Investigation in selected organized crime cases in which under previous Departmental direction the Bureau had employed electronic surveillance techniques. These logs have neither been made public nor made available to this Body. At present we have only Mr. Clark's word.

What I have just suggested, of course, remains generally true. Summaries of some of these logs, however, have become public during the course of litigation in which the De-

partment is now engaged. Attached as an appendix to this statement is a story which appeared in the *Providence Journal* of Providence, Rhode Island, on May 20, 1967. That article reprints verbatim nine "airtels" of the Federal Bureau of Investigation summarizing for the Washington office of the Bureau information electronically obtained by the Boston office of the Bureau.

To the uninformed reader these airtels seem relatively meaningless. To make them pregnant with significance, it takes only a little familiarity with the nature of organized crime. (See generally the *Task Force Report; Organized Crime* (1967) and *Organized Crime and Illicit Traffic in Narcotics*, S. Rep. No. 72, 89th Cong., 1st Sess. (1965) (hereinafter cited *Rep.*) along with the relevant supporting hearings (hereinafter cited *H.*)) When you have this familiarity, the impact of these few airtels is staggering.

What I would like to do now is to outline in general terms what these airtels mean and to place them in a context from which the indispensable character of electronic surveillance techniques to any serious attack on organized crime will emerge.

VII

These airtels were disclosed during a post-trial hearing in a tax case involving Louis "The Fox" Taglianetti, a member of La Cosa Nostra. (*Rep.* 44) His criminal activities include gambling, robbery and burglary. (H. 551) The airtels are summaries of daily logs kept by Bureau agents of conversation picked up on an electronic device used for the purpose of obtaining strategic intelligence placed by the Bureau in the office of the National Cigarette Service, a vending machine corporation, located at 168 Atwells Ave., in Providence, Rhode Island. The device was placed there to obtain accurate coverage of the activities of Raymond Patriarca, the head of the New England "family" of La Cosa Nostra and a member of its national ruling board, the "Commission." (H. 567). Patriarca's criminal record includes convictions—during his younger years before he obtained the immunity which goes with success in organized crime—for such crimes as armed robbery, arson and the White Slave Act. The decision to place Patriarca under surveillance, in short, was not without justification. His associates—as the airtels show—include nearly every hood in the country who has graduated from the drugstore cowboy stage, and his criminal activities—again confirmed by the airtels—run the full gamut.

The device was in operation from March 1962 to July 1965. The ten airtels made public are the airtels from this period in which Taglianetti was mentioned. The other airtels were kept confidential by the District Court. What is contained in them can only be inferred from those made public.

VIII

What then in broad outline does a careful analysis of these ten airtels establish—out of the mouths of the men themselves—in a context in which there was no reason to lie?

1. That there is an organization called La Cosa Nostra (10–20–64 ¶5; 10–22–64 ¶7);

2. That it is headed by a body called "the Commission" (10–20–64 ¶4; 10–27–64 ¶¶3, 7 & 9);

3. That it is broken up into groups called "families" (9–13–63 ¶¶4 & 10; 10–27–64 ¶6);

4. That families are headed by "bosses" (9–13–63 ¶10; 10–27–64 ¶3);

5. That families are staffed by "underbosses" (9–13–63 ¶10);

6. That families are staffed by "caporegine", i.e., lieutenants (1–25–65 ¶25);

7. That families are composed of members called "soldiers" (10–27–64 ¶9);

8. That the Commission can rule families in the absence of a boss (9–13–63 ¶10);

9. That the Commission makes the boss (9–13–63 ¶10; 10–27–64 ¶¶3 & 7);

10. That the Commission must approve new members (9–13–63 ¶¶4 & 7);

11. That the Commission settles disputes (10–27–64 ¶¶3 & 7);

12. That the Commission holds hearings (10–27–64 ¶7);

13. That the Commission acts by voting (10–27–64 ¶7);

14. That the boss of a family engages in the following activities:

A. he intercedes for members in other groups (10–27–64 ¶6);

B. he orders members to live up to personal obligations (10–27–64 ¶11);

C. he orders members to live up to illegal business obligations (3–7–63 ¶4);

D. he grants or withholds permission to operate illegal businesses (1–26–65 ¶22);

E. he settles the division of the profits of illegal businesses (1–26–65 ¶23);

F. he declares when necessary "martial law" (1–26–65 ¶41);

G. he is kept informed of the illegal activities of his associates (3–14–63 ¶5 (Kidnapping); 10–20–64 ¶1 (murder));

H. he arranges bail (4–16–63 ¶¶ 2 & 3);

I. he arranges to hold illegal business during incarceration (10–31–63 ¶ 8);

J. He can delay a death order for convenience of others (10–20–64 ¶ 7);

K. He worries about his image with upcoming members (10–31–63 ¶ 2);

L. he has contacts with the legitimate world which permit his influence in:

a. affecting the decisions of state attorneys general (1–26–65 ¶ 2);

b. affecting the decision of high ranking state police officials (10–31–63 ¶ 10);

c. affecting the granting of legitimate licenses (1–26–65 ¶ 12);

d. affecting parole decisions (4–16–63 ¶ 5);

e. affecting probation decisions (1–28–65 ¶ 5);

f. affecting sentences (10–31–63 ¶ 2);

15. That the boss insulates himself from possible criminal investigation:

A. Shows concern for scientific investigation (4–16–65 ¶ 6);

B. uses public phones (10–31–63 ¶ 1) under special arrangements (1–26–65 ¶ 14);

C. appointments are required to see him (1–26–65 ¶ 14);

16. That members are referred to as "a friend of ours" (1–26–65 ¶ 30);

17. That members are brought into the organization by a ritual (9–13–63 ¶ 4);

18. That members transfer from family to family (9–13–63 ¶ 2; 10–20–64 ¶ 28);

19. That members are ordered to kill (10–27–64 ¶10);

20. That some families have in excess of 150 members (10–20–64 ¶24);

21. That a family of 120 is "small" (10–20–64 ¶25);

22. That the organization is nation-wide:

A. Providence, Rhode Island;

B. Chicago, Illinois (9–13–63 ¶7);

C. New York, New York (9–13–63 ¶10);

D. Baltimore, Maryland (10–31–63 ¶8);

E. Washington, D.C. (10–31–63 ¶8);

F. New Jersey (10–20–64 ¶11);

G. Boston, Massachusetts (1–26–65 ¶5);

H. Miami, Florida (1–26–65 ¶17);

I. Philadelphia, Pennsylvania (1–26–65 ¶19);

23. That the organization is international;

A. Canada (10–20–64 ¶ 24):

24. That members are involved in the following illegal activities:

A. murder (10–20–64 ¶1; 1–28–65 ¶¶5, 6, 7, & 9; 10–27–64 ¶ 10; 1–26–65 ¶¶ 38–41):

B. kidnapping (3–14–63 ¶5);

C. extortion (1–26–65 ¶30–37);

D. fraud (10–20–64 ¶3);

E. bribery (1–28–65 ¶2; 10–27–64 ¶10);

F. perjury (1–26–65 ¶10);

G. loan sharking (10–20–64 ¶27; 1–28–65 ¶7; 1–26–65 ¶3);

H. gambling (4–16–63 ¶4; 10–31–63 ¶8; 1–26–65 ¶5; 1–26–65 ¶¶20–23); and

25. That members are involved in the following legal activities:

A. gambling (9–13–63 ¶2);

B. labor unions (1–28–65 ¶12; 2–12–65 ¶¶2–3);

C. race tracks (10–20–64 ¶7; 10–27–64 ¶¶12–13; 1–26–65 ¶3);

D. vending machine (10–20–64 ¶3; 1–26–65 ¶¶18–19); and

E. liquor (3–7–66 ¶2).

Among those with whom Patriarca had direct or indirect dealing are the following:

1. *Jerry Angiulo*—underboss in the Patriarca family (H. 568)

2. *John Biele*—a caporegima in the Vito Genovese family in New York City (H. 248)

3. *Joseph Bonanno*—head of a family in New York City (Rep. 30)

4. *Anthony Corallo*—a caporegima in the Thomas Lucchese family in New York City (Rep. 24)

5. *Eddie Coco*—a caporegima in the Thomas Lucchese family in New York City (H. 274)

6. *Thomas Eboli*—acting boss in the Vito Genovese family in New York City (Rep. 20)

7. *Patsy Erra*—"enforcer" for Mike Coppola, a caporegima in the Vito Genovese family in New York City (H. 248)

8. *Carlo Gambino*—head of family in New York City (Rep. 26) successor to Albert Anastasia

9. *Vito Genovese*—head of family in New York City (Rep. 20) successor to Frank Costello and Charles Luciano.

10. *Thomas Lucchese*—head of family New York City (Rep. 24)

11. *Salvatore Mussachio*—underboss in the Joseph Profaci family, New York City (Rep. 28)

12. *Sam Rizzo*—caporegima in Steve Magaddino family, Buffalo, New York (H. 580)

13. *Henry Tamelo*—"messenger" in the Patriarca family (H. 568)

IX

From August 1960 until June 1964, I was a special prosecutor in the Organized Crime and Racketeering Section of the Department of Justice. Nothing in the routine reports that I read from any federal agency contained data of this quantity or quality. Apparently, the Federal Bureau of Investigation was not then making electronically obtained data directly available to Departmental attorneys. I read, of course, general intelligence reports, but these seldom were on the concrete level of these airtels, and they could not be used for prosecution or investigation purposes. The investigation reports I read were the product of the use of normal investigative methods. There is just simply no comparison in the two kinds of reports. In light of this, I find it nothing short of incredible that Mr. Clark and others would seriously suggest that the use of electronic surveillance techniques is "neither effective nor highly productive."

X

Mr. Clark also suggested that organized crime, though important, is a "tiny part" of the entire crime picture. I would also like to register my disagreement with this suggestion.

Mr. Justice Brandeis in his classic dissent in *Olmstead* v. *United States* 277 U.S. 438, 485 (1928) rightly remarked: "Our government is the potent, the omnipresent teacher. For good or for ill, it teaches the whole people by its example." Mr. Justice Brandeis then spoke in the context of lawless law enforcement. There is, however, another way in which government teaches by example. Its failures, too, do not go unnoticed especially among the young, who watch what we do but seldom listen to what we say. Unlike other successful criminals who operate outside of an organization who require anonymity for success, the top men in organized crime—like Raymond Patriarca—are well known both to law enforcement agencies and to the

public. Like Patriarca, in the earlier stages of their careers, they may have been touched by the law, but once they attain a top position in the rackets they acquire a high degree of immunity from legal accountability. The statement of a leading worker with gang boys long ago pointed out the effect of this process:

"When a noted criminal is caught, the fact is the principal topic of conversation among my boys. They and others lay wagers as to how long it will be before the criminal is free again, how long it will be before his pull gets him away from the law. The youngsters soon learn who are the politicians who can be depended upon to get offenders out of trouble, who are the dive-keepers who are protected. The increasing contempt for law is due to the corrupt alliance between crime and politics, protected vice, pull in the administration of justice, unemployment, and a general soreness against the world produced by these conditions."

(Quoted in Thrasher, *The Gang* 455 (1927))

As part of organized crime, an ambitious young man knows that he can rise from body guard to a power in the community. Roy French, the horse trainer who got word to Patriarca to help him get a license as a horsetrainer at the Rhode Island tracks knows something about our society today that Mr. Clark does not (1-26-65 ¶¶ 12-13). The man who contacted Patriarca about his labor troubles at his construction sites in Maine, Connecticut and Rhode Island knows something about our society today that Mr. Clark does not (1-28-65 ¶ 12). Nick, the young man who got Patriarca to get him membership in La Cosa Nostra knows something about our society today that Mr. Clark does not (9-13-63 ¶¶ 4-7).

No civilized society can long permit the operation within it of an underworld organization as powerful and as immune from accountability as La Cosa Nostra. The success story of this group is symbolic of the breakdown of law and order increasingly characteristic of many sectors of our society. To hold the allegiance of the law-abiding, society must show each man that no man is above the law. The President's Commission on Law Enforcement and the Administration of Justice summed it up in these terms:

"In many ways organized crime is the most sinister kind of crime in America. The men who control it have become rich and powerful by encouraging the needy to gamble, by luring the troubled to destroy themselves with drugs, by extorting the profits of honest and hardworking businessmen, by collecting usury from those in financial plight, by maiming or murdering those who oppose them, by bribing those who are sworn to destroy them. Organized crime is not merely a few preying upon a few. In a very real sense it is dedicated to subverting not only American institutions, but the very decency and integrity that are the most cherished attributes of a free society. As the leaders of Cosa Nostra and their racketeering allies pursue their conspiracy unmolested in open and continual defiance of the law, they preach a sermon that all too many Americans heed: the government is for sale; lawlessness is the road to wealth; honesty is a pitfall and morality a trap for suckers."

(*The Challenge of Crime in a Free Society:* A Report by the President's Commission on Law Enforcement and the Administration of Justice 209 (1967))

This is what I wish Mr. Clark understood.

XI

The Supreme Court has now handed down the blueprint for constitutional electronic surveillance. The President's Crime Commission has called for legislative action. If there is any doubt in this Body's mind of need for this legislation, I suggest that the doubt be resolved by this Body calling for the other airtels in the possession of the Department of Justice. It is a fair inference if Patriarca was under surveillance that the other members of the Commission—9 to 12 in number (H.)—were as well. The Department has found it in the public interest to disclose various airtels to District Courts to insure that fair trials have been given to the worse sort of hoodlums. I suggest it would be equally in the public interest to disclose all of these airtels to this Body. Examine them for yourself. Make your own judgment on the clear and present character of the threat to free institutions in our society posed by organized crime. See for yourself if electronic surveillance techniques are the indispensable tools knowledgeable law enforcement officials say they are. When this is done I have no question that the problem of legislative will have been overcome.

Thank you.

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[From the Washington Sunday Star, July 16, 1967]

OUR REAL NEED—A MEANINGFUL WAR ON CRIME

The misguided effort by Attorney General Ramsey Clark, with the support of the President, to discredit and outlaw the use of wiretaps and electronic devices as law-enforcement weapons is collapsing under the weight of its own absurdity.

The attorney general has painted himself into a corner. For he contends on the one hand that electronic devices, and the same necessarily goes for wiretaps, are neither necessary for the public safety nor effective investigative techniques. On the other hand he argues that these techniques should be used only in the national security field, "where there is a direct threat to the welfare of the country."

This leaves him in an impossible position. For, in effect, he is saying one of two things, neither of which makes sense. One is that these techniques, for some inexplicable reason, are necessary and effective in the investigation of national security cases, but are useless in dealing with other serious criminal activities. Or, if he is not saying this, then he must be contending that organized crime, for example, is not "a direct threat to the welfare of the country." We doubt that he would seriously try to defend either position, and we suspect his problem is that he has permitted his judgment to be overwhelmed by an emotional bias against wiretaps and bugs.

Fortunately, this irrational attitude by the leaders of the administration's "war on crime" is meeting with strong opposition.

In the House, an administration proposal which would have the effect of repealing all state laws authorizing court-approved electronic surveillance by law-enforcement agencies appears to have no chance of passage. This is good. Even better, is the emergence of a "Republican Task Force on Crime" which is pushing hard for a bill of its own that would prohibit wiretapping and electronic bugging "except by court-authorized federal, state and local law enforcement officers engaged in the investigation and prevention of organized crime and certain other specified crimes."

This group, headed by Virginia's Representative Poff, says that its bill, backed by the Republican leadership and some 20 other Republicans, "represents a realistic balancing of the protection of individual privacy with the needs of law enforcement to combat organized crime." We think the bill, introduced by Ohio's Representative McCulloch, would do precisely that. We also agree with this comment by Representative Poff: "A free society must have powers to identify, arrest, search, indict, prosecute and punish the criminal. When these powers are properly and wisely exercised, they serve in themselves to maintain and to protect the freedoms we cherish."

We realize, of course, that the Republicans in the House are short on votes. But we hope and believe that the McCulloch bill, or something akin to it, will attract the necessary Democratic support.

Things are also stirring over on the Senate side.

Senator McClellan, Democrat of Arkansas, opened hearings last week on a bill of his own which would permit court-authorized wiretaps, and also on a measure sponsored by Republican Senator Hruska of Nebraska which would deal in similar fashion with electronic listening devices.

Not surprisingly, the principal witness was Frank S. Hogan, district attorney in New York County.

Hogan was conducting his own war on crime (with remarkable success) when Ramsey Clark was wearing short pants and when Lyndon Johnson, as a new congressman from Texas, was still trying to find his way around the Capitol.

If there is any man in this country who knows what is required to conduct a meaningful "war on crime," especially organized crime, it is Hogan. The long, documented statement which he submitted to the McClellan subcommittee made mincemeat out of Clark's arguments concerning wiretaps and listening devices. It would be a great thing if the attorney general and the President would take time to read the statement. It might be an experience which would serve to pry open closed minds. Assuming, however, that the statement will not be widely read, here is its central theme: "I have served in the office of the district attorney of New York County for 32 years. On the basis of that experience, I believe, as repeatedly I have stated, that telephonic interception, pursuant to court order and under proper safeguards, is the single most valuable and effective weapon in the arsenal of law enforcement, particularly in the battle against organized crime."

Organized crime in all of its manifestations is a sinister and rising threat to the welfare of this country. Quite possibly the threat which it poses is graver and more imminent than any threat in the national security area. For organized crime tends to destroy the whole fabric of our society.

Let's take one case discussed by Hogan—a case involving the narcotics racket. It is pertinent because it has a special relevance to the President's war on crime.

In 1960 Hogan's office broke a case involving a possession and sale of heroin worth half a million dollars. It was wiretaps, and wiretaps alone, which made this possible. Without this weapon it would have been impossible to reach the people at the top. In this instance, only one of the eight men arrested went to jail. He was caught with the heroin in his possession. The indictments against the seven others had to be dropped because the wiretap evidence which would have convicted them could not be used under a Supreme Court decision.

This was bad enough. But what about the miserable wretches, the people often condemned to a slow death, who are hooked on narcotics by the men at the higher echelons who operate too often with impunity? It is these people, the addicts, who commit a great many of this country's crimes of violence. To satisfy their desperate craving for drugs, they rob, yoke, steal and burglarize. These addicts can be caught—and the President advocates spending large sums of money to improve police methods of catching them. But how much better it would be, how much more sense it would make, if Messrs. Johnson and Clark would throw their support behind the weapons, wiretaps for one, that are needed to take out of circulation, not the victims of the dope racket, but the vultures who operate it!

Hogan wound up his testimony by saying that he thinks it is possible to draft legislation to deal with organized crime, legislation authorizing controlled wiretaps and

bugging, which would survive a challenge in the Supreme Court. This may be wishful thinking. But as long as there is any chance, Congress most certainly should make the effort. And the time to make it is now—not after the untouchable criminals have made life intolerable in these United States.

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[From the New York Times, July 11, 1967]

IN THE NATION: IS WIRETRAPPING WORTH IT?

(By Tom Wicker)

WASHINGTON, July 10.—Attorney General Ramsey Clark, by administrative action, has forbidden all wiretrapping and virtually all bugging by Federal agents, except in national security cases. Clark does not believe these are effective tools of law enforcement, but some who do are scheduled to make their case in hearings before Senator McClellan's subcommittee this week.

Clark and President Johnson have proposed legislation that would outlaw all wiretapping and bugging by anybody except Federal agents in national security cases. Another bill, drafted by G. R. Blakey of the Notre Dame Law School and tomorrow's first witness, would set up procedures for authorized eavesdropping by Federal and state agents as a weapon against serious crime.

CURBS IN PROSPECT

No one seriously defends wiretapping or bugging by private parties or by unauthorized policemen, and it is likely that these practices, the divulging of anything learned by them, and the manufacture and distribution of the equipment that makes them possible, will be entirely prohibited.

The real question is the extent to which the police and Federal agents should be authorized to use either practice in criminal law enforcement. An answer requires a determination whether these practices are good law-enforcement tools, and whether they can be administered without abuse.

THE MOST VALUABLE WEAPON

District Attorney Frank Hogan of New York is convinced that they are and they can. He told the New York State Constitutional Convention on June 7 that wiretrapping was his "single most valuable and effective weapon . . . particularly against organized crime." He denied, however, wholesale use of this weapon.

In New York County in 1966, Hogan said, about 65,000 criminal matters had arisen, but only 73 wiretrap orders were obtained (and 36 renewals of such orders). As for effectiveness, he said that in the ten years before the Supreme Court ruled in 1958 that wiretap evidence was inadmissible, his office had legally made 733 wiretap installations, caused 465 arrests on the evidence obtained, and secured 364 convictions.

Most of these convictions were in the areas of organized crime and racketeering, and Hogan contended that the peculiar nature of these activities—highly organized, highly secret, highly efficient—made wiretap evidence the only effective weapon against them.

He also made the telling point that not even Ramsey Clark wants to outlaw wiretapping in national security cases; this, Hogan contended, was "tantamount to a concession that wire interception and eavesdropping are essential weapons of detection against elaborate, organized criminal conspiracies."

Hogan also said investigating committees had found no abuses of eavesdropping practices by his office and that the rights of individuals had never been invaded or abused.

SOME ABUSES

Yet, only a week after this testimony the Supreme Court found that what he had called New York's "model" eavesdropping law authorized "general" rather than specific search warrants, did not require the police to specify the crime being investigated, and did not require the "bug" to be removed once the evidence sought had been found.

The Court made it doubtful that bugging could ever square with its interpretation of the Fourth Amendment, which limits police searches; it apparently required, for instance, that the criminal to be bugged would have to be notified of the auditory "search" of his premises.

UNLAWFUL BUGGING

As for wiretapping, whatever Hogan's experience, Federal agents have been accused of tapping and bugging without authorization, cases have been thrown out of court because of it, and not long ago J. Edgar Hoover and former Attorney General Robert Kennedy disputed publicly as to whether Hoover's G-men had eavesdropped without even Kennedy's knowledge.

Frank Hogan and others may be right that effective law enforcement needs authorized eavesdropping, Ramsey Clark to the contrary. But they have yet to show, in the McClellan hearings or elsewhere, that any set of controls can guarantee that eavesdropping will not be abused by zealous or careless law agencies; and that this practice is so essential to the public safety that the risk has to be taken anyway.

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[From the New York Times, July 13, 1967]

CRIME IN WESTCHESTER—THE ROOTS OF ORGANIZED RACKETEERING RUN DEEP IN SUBURBAN LIFE AND STRESS

(By Charles Grutzner)

To New Yorkers accustomed to thinking of the suburbs in terms of tranquil, green-carpeted homes occupied by executives and their well-groomed wives and advantaged children, recent disclosures of deep underworld penetration in Westchester County come as an image-wrenching surprise. How could organized crime gain such a foothold in an area supposed to be free of the ills of the cities? the fact is that many of these ills—blight, congestion, poverty, ghettoization and corruption—have moved to the suburbs on the crest of the vast waves of migrants who fled the cities in the last two decades.

Organized crime has moved with them. The transplanted horse player looked for a new bookie; the newly arrived numbers player sought out the nearest store to drop his bet. Bookies, numbers operators, narcotics peddlers and loansharks all flourished in the service of their new clients, and as the illegal take and the suburbs both swelled, big-time racketeers began moving into the areas outside the city and its highly organized law enforcement system.

Once the gamblers, narcotics sellers and loansharks gain a place in a community, the course of organized crime is set: It moves to take over, wholly or in partnership by investment, muscle or overt terror, whatever illegitimate business it can reach. Then it reaches for legitimate business.

AN INDUSTRY TAKEOVER

This was illustrated when Federal investigators disclosed recently that 90 per cent of the private garbage and trade waste disposal in Westchester was in the grip of members of the powerful Genovese and Gambino families of the Mafia.

The capture of the waste carting industry in Westchester by Mafia forces was no overnight phenomenon. It was a process that had gone on for 15 years and was accompanied by such acts of terrorism as the burning of trucks and the dumping of varnish into the gas tanks of trucks owned by those who resisted. Today, there are only about a half-dozen truly independent cartage companies left in Westchester.

To a lesser degree than in the waste disposal industry, Mafia gangsters have muscled their way into established bars, restaurants and nightclubs and drained off their profits.

There is nothing unusual in the way that organized crime has taken root in Westchester. The same kind of operations has been, and, in some cases, still is carried on in Nassau and Suffolk Counties, in Northern New Jersey, and in a few of the urbanized areas of Connecticut—directed in many cases by the same Mafia families who are involved in Westchester crime.

AN IMPORTANT OUTCRY

In some suburbs, however, the racket operations are neither as open nor as blatant as in parts of Westchester, largely because local law enforcement has been more vigorous and effective in some communities than in others.

Attention was first focused in Westchester principally because an important outcry against criminal influence in the suburbs was made in the Westchester city of Mount Vernon.

The outcry took the form of a dramatic gesture by Prof. Bert E. Swanson, a Sarah Lawrence College political sociologist, who had been meeting every two weeks for more than two years with residents interested in finding remedies for some of the county's community problems. On June 19 Professor Swanson, called off further meetings and charged that projects for betterment of that city had been torpedoed by the forces of organized crime.

Asked about Professor Swanson's charges, United States Attorney Robert K. Morgenthau, whose area of responsibility for investigating and prosecuting violations of Federal law includes Westchester, said that the county was "one of the major problem areas" for effective law enforcement. He also declared that conditions in Westchester were symptomatic of the way in which the underworld had established itself in force in suburban areas.

REACTIONS ARE MIXED

At the same time, the Department of Justice let it be known that it was investigating organized crime in the suburbs of metropolitan areas across the nation and had been doing so for some time.

In Westchester, there were mixed reactions to the disclosures of organized crime. Some local officials, who had been complacent about the open gambling, were critical of Professor Swanson, Mr. Morgenthau and the press for their public disclosures. A chain of Westchester newspapers and a New Rochelle radio station launched attacks upon the sources of information.

Said Edwin G. Michaelian, the County Executive:

"I think we have a clean county. If there is any evidence of organized crime Mr. Morgenthau should present it to the proper law enforcement officials."

Westchester District Attorney Leonard Rubenfeld conceded that bookmaking and policy gambling were problems in the county, "but no more so than anywhere else."

A short time later, however, Mr. Rubenfeld's investigators arrested an officer of a Mamaroneck and New Rochelle garbage collection company on charges of threatening and intimidating a competitor. They also seized five men on charges of running a million-dollar-a-year gambling operation out of a Mount Vernon gasoline station.

Mr. Rubenfeld said the garbage company official was a member of a family with high underworld connections and described the men arrested in the gambling raid as having strong Mafia ties.

BABY-CARRIAGE SLEUTHING

Although some community leaders resented the disclosures of crime in Westchester, two ministers—one in Mount Vernon and another in New Rochelle applauded the publicity. Members of their flocks—including housewives who said they had snapped photographs of gambling transactions with cameras hid-

den under the bonnets of their baby carriages—provided Mr. Morgenthau with evidence of crime in their area.

The hostility by some toward the disclosures of criminal influence and the apathy by many more provide a significant clue to the success of the underworld in the suburbs.

Many public officials prefer to close their eyes to any disturbing problem that might "rock the boat" of suburban life. And many suburbanites prefer to ignore such problems as long as they do not intrude on their own comfortable neighborhoods.

"They don't care how much gambling goes on around Mount Vernon's Third Street as long as their own street is kept free of muggers, drunks and housebreakers," said one churchman.

APATHY IS SCORED

A similar view was expressed strongly by Jacob J. Grumet, a member of the State Investigation Commission. The commission, after a long investigation of local law enforcement in Westchester, reported in 1964 that gambling was wide open and that there was laxity and police corruption in many of the 39 separate police forces in the county.

Publication of the commission's report forced the ouster of some policemen and led to the defeat of a few administrations in local elections. But some of the suspected police officers have since been promoted, some repudiated politicians have since been returned to office, gambling is as wide open as before and inroads have been made in other areas of criminal activity.

"If the public keeps electing the same kind of corrupt officials it can't expect good law enforcement," Mr. Grumet declared.

The principal recommendation of the commission's 1964 report was for the creation of a county police department. Nothing came of it. Westchester still has 39 separate police forces, most free of corruption and some alert to the menace of organized racketeering.

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[From Life magazine, Apr. 21, 1967]

WAYS TO CONTROL SNOOPING

The President's Crime Commission, eying the gray, unmarked terrain of legislation regulating the use of eavesdropping devices, was outraged. "The status of the law with respect to wiretapping and bugging," said the commission's report, "is intolerable. It serves the interests neither of privacy nor of law enforcement. One way or the other, the present controversy must be resolved."

Indeed it must. We have edged into the electronic age without firm guidelines on snooping—either in regard to wiretapping, which involves overhearing telephone calls, or bugging, the use of planted listening devices. Except for an ambiguous law passed 33 years ago, when gimmicks common today were still in the back of some prodigy's mind, Congress has enacted no legislation in the field. Except for a few rulings on tangential questions skirting the central issue of whether, or when, eavesdropping is permissible, the Supreme Court hasn't been much help. The result is a moral and legal vacuum, within which the partisans of stiff law enforcement and those who fear our liberties are being ignored snipe away at each other.

Most of the nation's lawmen believe eavesdropping techniques are vital tools in their constant combat against organized crime. "If wiretapping is lost," says Eliot Lumbart, Governor Nelson Rockefeller's special assistant counsel for law enforcement, "we will lose the most important and effective source of information—that we wouldn't get otherwise—in the most difficult kinds of cases. Without that source, we practically give an immunity bath to the really sophisticated operators." New York District Attorney Frank Hogan, who has been more successful than most in nailing big-time hoods, has called electronic surveillance "the single most valuable weapon" against organized crime.

But if lawmen have the power to tap wires and bug rooms of people they believe guilty, what is to prevent them from overhearing the private words of the innocent? Who has the right to overhear, and for what purpose? And if such eavesdropping is permitted, how should it be limited or controlled? "We act differently if we believe we are being observed," Vice President Humphrey has written. "If we can never be sure whether or not we are being watched and listened to, all our actions will be altered and our very character will change." Associate Justice William Brennan has limned another threat: "Electronic aids add a wholly new dimension to eavesdropping. They make it more penetrating, more indiscriminate, more truly obnoxious to a free society. Electronic surveillance, in fact, makes the police omniscient; and police omniscience is one of the most effective tools of tyranny."

A majority of the Crime Commission members favored a law granting "carefully circumscribed" surveillance authority to law officers. President Johnson is backing a bill making all surveillance illegal except cases involving national security or where one party to a conversation consents to the intrusion. The Supreme Court is also due to weigh in soon with a decision on a New York statute permitting eavesdropping by court order.

Professor Alan Westin of Columbia University, a widely recognized expert on the subject, has another plan. It permits specified state and federal authorities to use surveillance techniques in narrowly limited circumstances. At the same time Westin's proposal would make it a crime for any private individual or organization, from a detective working on a divorce case to a corporation spying on its competitors, to use snooping devices.

Westin would give the authority to eavesdrop only to prosecutors, attorneys general and a limited number of federal agencies, including the FBI. Before a court could grant such authority, specific cause to believe that snooping would provide evidence of a major crime—either a crime already committed or one being planned—would have to be presented. Federal authorities could tap or bug only in cases of kidnaping, specified crimes involving national security and "when directly necessary to prevent the taking of a life by criminal violence"—leaving determination to the courts. Evidence obtained by snooping on privileged conversations, such as husband-wife or lawyer-client, would be inadmissible. And violation of any of the restrictions could be punished by a prison term of one to three years.

Westin's proposal is a solid and carefully thought-out approach. It may be a little tough on lawmen; the list of crimes, for example, might be expanded to include other felonies, particularly those involving organized crime. And some provision might be made to permit listening in on the tribunals of organized crime where there is cause to believe major crimes are being discussed or planned.

Stringent insistence on prior court approval is necessary, however, and Westin offers the basis for controls which would prevent wanton assaults on privacy without (hopefully) hamstringing lawmen.

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[From the Washington Evening Star, July 12, 1967]

PHONY WAR ON CRIME

There comes a time when a spade should be called a spade, and there also comes a times when a phony war should be called a phony war. That time has been reached in Lyndon Johnson's much-touted and loudly-heralded "war on crime."

The sweeping—and they are sweeping—regulations just put out by Attorney General Ramsey Clark restricting the use of wiretaps and electronic listening devices are the last straw. The attorney general surely would not have sounded this call for retreat without the approval of the President. So one is driven to the conclusion that the war on crime is a phony war, and that all of the President's high-flown speeches, not to mention the attorney general's rhetorical contributions, have been nothing more than wordy exercises designed to conceal the fact that this administration's heart is not in its so-called war.

The attorney general's new regulations go well beyond the restrictions on wiretaps and bugging imposed two years ago by the President. They forbid law-enforcement practices which the Supreme Court has not yet outlawed. A suspicious soul might think that they are an invitation to the court to go farther than it has up to this time—and this may not be lost upon the "liberal" judicial majority.

Ramsey Clark obviously has a thing about wiretaps and bugging. He thinks they are a waste of manpower. He has testified that they are "abhorrent" devices. He says that all of his experience shows that electronic surveillance (he has had very little experience in criminal law enforcement) is not necessary for the public safety, is not a desirable or effective investigative technique, and that these abhorrent devices should be used only in the national security field. He has never explained why wiretaps and bugs are essential in national security cases but useless against organized crime. Of course he cannot come up with any rational explanation.

Let's turn to another witness. Frank S. Hogan, New York County district attorney, has been in the front line of the war on crime for 27 years. He told the President's Crime Commission: Electronic surveillance is the single most valuable weapon in law enforcement's fight against organized crime. . . . It has permitted us to undertake major investigations of organized crime. Without it, and I confine myself to top figures in the underworld, my own office could not have convicted Charles "Lucky" Luciano, Jimmy Hines, Louis "Lepke" Buchalter, Jacob "Gurrah" Shapiro, Joseph "Socks" Lanza, George Scalise, Frank Erickson, John "Dio" Dioguardi, and Frank Carbo.

Well, there it is. Take your choice. Frank S. Hogan, who has sent scores of vicious hoodlums to jail, is quite willing to use the "abhorrent" eavesdropping weapon in his war on crime. He thinks it is an essential weapon. Ramsey Clark and Lyndon Johnson are not willing. They would prefer to conduct their war with speeches at twenty paces. And, in consequence, this war is one which organized crime will surely win and which the American people, the ultimate victims, will surely lose.

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[From the Washington Evening Star, July 4, 1967]

CRIME: JUSTICE DEPARTMENT

William O. Bittman, who successfully prosecuted Jimmy Hoffa and Bobby Baker for the Department of Justice, is in a position to speak with authority on techniques which are effective in law-enforcement efforts. And now that he has left the department . . . he has had some interesting things to say about the use of electronic devices in dealing with crime . . .

Bittman is in fundamental disagreement with Attorney General Ramsey Clark, who has said that eavesdropping by the federal government is both ineffective and a waste of manpower. Bittman says there is no question in his mind that "the use of certain electrical devices would be of great help in fighting organized crime in this country if the information obtained could be used as evidence." He also says we are losing the battle against organized crime, "and I don't think we should deny reputable law enforcement any legitimate tool."

CLARK SAYS RISE IN CRIME IS SMALL—ATTORNEY GENERAL DECLARES "THERE IS NO WAVE"

(By Sidney E. Zion)

Attorney General Ramsey Clark said yesterday that he did not believe there was a crime wave in the nation.

"The level of crime has risen a little bit," Mr. Clark said, "but there is no wave of crime in the country."

Mr. Clark gave this assessment in an interview here after addressing a luncheon meeting of the N.A.A.C.P. Legal Defense and Educational Fund, Inc., at the Americana Hotel.

Asked about official statistics that indicate substantial increases in the crime rate yearly, the Attorney General said: "We do ourselves a great disservice with statistics."

Thus, he said, it is "quite clear," despite impressions to the contrary, "that the murder rate has declined steadily since the 1930's," from 7.8 slayings per 100,000 population to 5.4 last year.

MOST ACCURATELY REPORTED

"The fact is," Mr. Clark said, "that murder is the crime most accurately reported, so we can make comparisons with the past."

The Attorney General said he met with police chiefs from 14 major cities on Wednesday and that they generally reported a slight increase in crime.

"One city was up 1 per cent from last year, but last year they had been down 1 per cent from the year before," he said.

Mr. Clark said that despite President Johnson's nearly total ban on wiretapping and bugging imposed in July, 1965, the Department of Justice's prosecutions against organized crime were now "at an all-time high."

He said that in the fiscal year following the President's order, which banned all electronic eavesdropping in Federal cases except where the national security was directly endangered, organized-crime prosecutions went up 30 per cent.

"With the rarest exceptions," Mr. Clark said, "we have found that electronic surveillance was unnecessary, either in obtaining direct evidence of crime or in developing leads."

He has concluded, he said, that electronic eavesdropping is "neither effective nor highly productive."

The Attorney General said that organized crime was a "tiny part" of the entire crime picture, though an important one.

In his speech to the Legal Defense Fund luncheon, which was in honor of the 13th anniversary of the Supreme Court's desegregation decision, Mr. Clark noted that as a result of that ruling nearly half a million Negro students were enrolled in schools with white students in the 11 Southern states.

"What greater transformation effected by the rule of law does history reveal?" he said.

OUTLOOK ON RIGHTS

In a panel discussion at the luncheon meeting, the prospects for the civil rights movement were reviewed by Saul D. Alinsky, executive director of the Industrial Areas Foundation; Mr. Kenneth B. Clark, president of the Metropolitan Applied Research Center, and Bayard Rus——, executive director of the — Philip Randolph Institute.

"We are fine at demonstrating and protesting," Mr. Alinsky said. "But we don't yet have the organization to compel the power structure to follow through on the concessions they make. It's as though a labor union won a contract, then dissolved and expected the employer to live up to the agreement."

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[From the Providence (R.I.) Journal, May 20, 1967]

THE TAGLIANETTI CASE: WHAT THE "BUG" TOLD AT 168 ATWELLS AVENUE

Chief Judge Edward W. Day of U.S. District Court has reserved decision as to whether evidence in the income tax evasion conviction of Louis "The Fox" Taglianetti in April, 1966, was tainted by Federal Bureau of Investigation "bugging" of the office of a "close associate."

In seven days of court hearings which ended last Thursday, evidence was adduced that the electronic surveillance was maintained by the FBI on a daily basis from March, 1962, to July, 1965, and that the microphone was planted at 168 Atwells Ave. to monitor conversations in the office of National Cigarette Service.

It was further testified during the hearing that Raymond L. S. Patriarca and Philip Carrozza are the "principals" in National Cigarette Service.

During Taglianetti's trial 13 months ago, Patriarca, summoned by the government, had testified that he was a "partner" with Carrozza in National Cigarette Service and that Taglianetti was a "good will" man who got the firm many "locations" for its cigarette vending machines.

Taglianetti was found guilty by a jury of evading income taxes in the years 1956 through 1958. Last September, Judge Day sentenced him to seven months and a $3,000 fine. Taglianetti appealed, which stayed the sentence.

While the appeal was pending before the Circuit Court at Boston, the Justice Department came forward last December and volunteered that the FBI had "bugged" the place of business of a close associate" of Taglianetti. The Justice Department said no fruits of the microphone surveillance had tainted the income tax case, but asked the court to decide.

The Circuit Court rejected a defense motion for a new trial, remanded the case to Judge Day on the narrow issue of whether the evidence had been tainted and said that if he could not determine this issue after a hearing, he could order a new trial.

Judge Day began hearings on May 9. When they were concluded last Thursday after seven court days, he gave defense counsel until June 15 to file a brief and the government until July 15 to file an answering brief.

At the outset of the proceedings, defense counsel asked production of the records of the FBI surveillance. Under the Jencks Act, Judge Day examined the entire record in chambers and ordered the government to give defense counsel all FBI records of conversations in which Taglianetti had participated.

The Jencks Act provides that in any federal criminal prosecution a defendant shall be entitled to examine and use any government statement or report relating to the testimony of a government witness, and if it contains matter which does not relate to the testimony of the witness the government shall deliver the statement or report to the judge, who shall examine it privately and excise the material not relating to the witness's testimony before directing the government to deliver it to the defendant.

The defense was given only a fraction of the complete FBI record. The remainder is locked in Judge Day's office. The hearing began after defense counsel had time to examine the FBI material turned over to them.

Through a series of Internal Revenue and FBI witnesses, Charles J. Alexander, Justice Department attorney from Washington who was assisted by U.S. Dist. Atty. Edward P. Gallogly, undertook to demonstrate that no information from the FBI bugging had been communicated to Internal Revenue and that, with two exceptions not relating to Taglianetti, none of the information had been disseminated outside FBI channels.

By intensive cross-examination of government witnesses, Bruce M. Selya, defense counsel with John A. Varone, undertook to undermine this government claim by showing a wide distribution of multiple copies of the surveillance data to FBI headquarters in Washington and to branch FBI offices in several cities, beyond the knowledge of witnesses here as to what happened to the information elsewhere.

The defense also claimed that the FBI bugging of a conversation between Taglianetti and Robert G. Crouchley, Providence attorney, while Mr. Varone was incapacitated after an automobile accident in 1965, was an invasion of a lawyer-client relationship.

Repeatedly in cross-examination Mr. Selya drew acknowledgments from government witnesses that Taglianetti was not the "subject" of the electronic surveillance at 168 Atwells Ave.

John F. Kehoe, special agent in the Boston FBI office who was coordinator of the surveillance for the Justice Department organized crime and racketeering division, described how the FBI data was recorded.

The agent operating the tape recorder at Providence kept "logs" in which he made note of individuals speaking and the subject matter discussed.

The tapes and logs were delivered daily to Mr. Kehoe. Listening to the tapes, and checking what he heard with what the logs said, he made memorandum notes. From the memorandums he later dictated "airtels," the FBI term for air mail messages sent through FBI channels, which went to Washington FBI headquarters and other FBI offices as subject matter indicated. At the bottom of each "airtel" the numerals and cities named show how copies were sent to which FBI offices.

The tapes later were erased and used over and over at Providence.

Mr. Selya introduced a series of these airtels, furnished the defense by the government, as a defense exhibit last Wednesday afternoon.

The defense exhibit on record in the case follows:

APRIL 18, 1963.

To: Director, FBI, (92–2961).
From: SAC, BOSTON (92–118).
Subject: Raymond L. S. Patriarca, akaAR.

Re Boston airtel 4/16/63.

BS 837–C advised on 4/16/63 that Patriarca took his wife to the New England Baptist Hospital, Boston, Mass., for an operation.

On 4/17/63 Rudolph Sciara, who was recently acquitted in State Court on a charge of murder, was told by Patriarca that he is doing too many favors for people and that he should discontinue doing same as it will lead him into trouble. Sciara had mentioned that he had arranged the bail for three individuals, not identified.

Patriarca instructed him that, when arranging bail for any individual, he should make sure that the bondsman does not know his (Sciara's) identity as he believes that all bondsmen are stool pigeons.

He then was very critical of an individual be believed to be a dentist, who had just visited him and said that this dentist is a stool pigeon for the FBI. (This statement not true.) He pointed out that when he had taken his wife to the hospital in Boston, the dentist, whom he had not seen for several months had dropped in and inquired about her health. When Raymond told him that his wife was in the hospital in Boston, he apparently notified the FBI because they surveilled the hospital and observed Patriarca meeting with various individuals, including (name blanked out).

(Blanked out) Patriarca said that he was contacting (blanked out) in an effort to obtain the parole of Leo Santaniello and Lawrence Baiona.

He also told Sciara that today the criminals are fighting scientific crime detection and, therefore, have to be very careful.

3—Bureau
1—New York (Info)
2—Boston (92–118) (1)–92–118 Sub 4
JFK (6).

MARCH 12, 1963.

Re Boston Airtel to Bureau dated 3/7/63.

To: Director, FBI (92-2961) SAC, Philadelphia.

From: SAC, Boston (92-118)

Subject: Raymond L. S. Patriarca, aka AR.

On 3/9/63, BS 837-C advised that two Unmen discussed Taglianetti's tax case in which he has recently been indicted. Raymond thought that if they obtained the proper attorney, and that he pointed out to the judge that Taglianetti has a young family, no criminal record, and has a good employment record, that he might get a suspended sentence. Raymond suggested that Taglianetti ought to attempt in some way to have the USA recommend a light sentence because of the above facts. If the USA does recommend a light sentence, Patriarca believes that the judge would go along with the recommendation.

On 3/11/63, Johnny (LNU) (not John Williams) and another Unman told Patriarca that they intend to get some whiskey from the warehouse but do not intend to go through the kid who works in the place. He pointed out that this source of supply of whiskey has not been available to them in the recent past which necessitated that they purchase their own whiskey. The location of this warehouse was not mentioned.

On the same date, another Unman told Raymond that one gang is competing against the other but did not describe either gang. He said that Pete (LNU) is all done as he is going to the (can). Pete wanted to take a couple of banks alone and there was mention of Philadelphia but the informant was unable to ascertain the details of same. Immediately thereafter Patriarca said "We can't send him to someone down there as there is too much heat around." Efforts are being made to identify a Peter who was probably recently arrested in this area.

On the same date, Eddie (LNU) told Patriarca that he grabbed the kid yesterday, not further identified. This concerned a bet which a woman had placed and Eddie, was of the opinion that the woman past-posted the bookie. The woman threatened to call Johnny Barborian of Providence, Rhode Island and it was not clear to the informant whether she did contact Barborian. At the end of the conversation Patriarca told Eddie to pay the hit.

The sensitive nature of the informant's position necessitates that every effort be exercised to maintain his security.

Subject should be considered armed and dangerous.

3—Bureau (92-2961).
1—Philadelphia (Info).
2—Boston (92-118) (1)—92-118 Sub 4).
JFK: Atl (6).

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MARCH 19, 1963.

To: Director, FBI (91,2961)

From: (91,2961) SAC, Boston (92-118)

Subject: Raymond L. S. Patriarcia, aka AR

Re Boston airtel 3/14/63

BS 837-C advised on 3/14/63 that Raymond Patriarca was contacted by Louis Taglianetti relative to his pending IRS case. They discussed his IRS case somewhat in detail but mentioned nothing of significant value.

Raymond discussed with Unman regarding R.I. registration RL490 which allegedly was observed in a parking lot when Raymond had a meet sometime ago. This plate was checked out and found not significant to this investigation.

On 3/15/63 Raymond accepted some checks from an unidentified individual who owed Raymond money. This individual said that he would pay Raymond $85.00 thereafter to fulfill his obligation.

Another unidentified individual told Raymond that Nicholas Parlato of Newport, Rhode Island, was interviewed for two hours relative to the job not specified. Raymond said he hopes that he gets the job.

John Barborian discussed with Raymond the kidnaping of an individual in Miami, Florida, last July. This information is set out in a separate letter.

Another Unman tells Raymond that the fellow from Chicago wants $2.00 a case for 25,000 cases of shoe polish. Second Unman said it was only worth $1.50 per case. They decided that Sam Lnu should go to Chicago relative to this matter but Raymond said it was not worth it.

On 3/16/63 Patriarca reminded Frank Forti that he had a meet with (Tony Pussy) Russo at the hotel at 5:00 that day.

On 3/18/63 Unman tells Raymond that the girl who was suppose to go to the track with the money lost her pocketbook and billfold with the money in it and that they lost the bank roll. This apparently concerns a gambler, not identified and that this individual went to New York to get another bank roll.

Another Unman asked Raymond how he could get a hold of Mickey the Wise Guy (Michael Rocco) and he directed this individual to Frank Rossetti of Providence, Rhode Island. Said that Rossetti would know the phone number of Mickey the Wise Guy.

The sensitive nature of this informant's position necessitates that every effort be exercised to maintain his security.

Subject should be considered armed and dangerous.

3—Bureau
1—Chicago
2—Boston

1—92118
1—92-118 Sub

JFK: pd
(5)

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SEPTEMBER 17, 1963.

To: Director, FBI (92-2961) SAC, New York

From: SAC, Boston (92-118) (P)

Subject: Raymond L. S. Patriarca, aka AR

Rebestel, 9/13/63.

BS 837-C advised on 9/13/63 that Patriarca was in NYC on 9/9/63. While Patriarca was waiting at the Edison Hotel for some unknown person he met Pogey (believed to be Pogey Torriello). Pogey was with Hymie (LNU). Pogey indicated to Patriarca that his money is all tied up with Frankie (LNU) and, in order to get some capital, he, Pogey, will have to sell his stock.

Mike (LNU) ascertained from Joe Lindsey, noted Boston Philanthropist, that he, Lindsey, was not interested in obtaining the points. Informant was of the opinion that the points were worth $10,000 but was unable to determine what corporation the points were being sold for. Lindsey was of the opinion that the points were not worth $10,000 and, therefore, declined to purchase same.

Patriarca told Henry Tameleo of Providence, R.I. that he is going to NYC, probably on Monday, September 23rd. It should be noted that the informant was not positive about this date but did learn the following:

Patriarca is going to New York with Henry Tameleo and that they are going to make Nick or Chick a member of the "family" Wednesday night, 9/23/63, at the Roma. The reason they are going to make Nick on Wednesday night is "in case they want to make peace Thursday." If they did, he indicated that he (Patriarca) would be tied up trying to effect the peace. Patriarca has obtained permission from the Commission to make Nick because it was an emergency and pointed out that if it were not an emergency, the Commission would not recognize him as a member. He obtained the permission from Tony (LNU) to make Nick a member and the ceremony is to take place at 4:00 p.m. on 9/25/63.

Ray indicated he talked to Pogey only for a short time because Pogey's kid was coming down and Pogey did not want to permit the boy to see Patriarca. Patriarca does not like to hang around New York when he is conducting business there but only stay a sufficient amount of time to allow him to conduct his business.

Raymond was unable to understand Pogey completely "as he juggles his words all the time." Pogey did tell him, however, that some guys are coming tomorrow, meaning 9/14/63, and Joey (LNU), Dana and another individual (not known) went there on 9/12/63. Informant was unable to ascertain the significance of this but was of the opinion that it concerned the selling of points in some gambling casino. The sale is a legitimate sale and the person investing would obtain at least 6 per cent on his investment legitimately.

Patriarca instructed Tameleo to go to Boston and tell Jerry Angiulo what is going on and the Commission has OK'd the making of this kid (Nick). Patriarca is going to turn Nick over to an individual, whose name the informant could not ascertain, or "whoever they put in Chicago."

Patriarca advised that the other kid, Moe (LNU), called Doc (LNU) and he, Moe, is going to string him out. Informant was unable to ascertain the significance of this.

Raymond said that the other 24 guys are not made, but the informant did not ascertain the significance of this.

Patriarca then told Tameleo to tell Joe (possibly Joseph Lombardo of Boston) that the boss and underboss in New York are out; that right now that "family" is under the Commission. Patriarca did not know who they were going to make as boss of this "family" as they have not picked the person as yet. He specifically warned Tameleo to give this information to Joe and Joe alone; if he wants to tell it to anyone else that is his business. He also told Tameleo to tell Joe that the kid will be made at 4 o'clock on September 25th.

On 9/16/63, Frank Davis, Providence, R.I., has been summonsed to appear before IRS for a formal interview inasmuch as he has not reported correct income. Consideration is being given to possible criminal action.

The sensitive nature of the informant's position necessitates that every effort be exercised to maintain his security.

Subject should be considered armed and dangerous.

3—Bureau.
1—Chicago (Info).
2—New York.
3—Boston (92-118), (92-446), (92-130).
JFK: po'b (9).

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NOVEMBER 5, 1963.

To: Director, FBI (92-2961) SAC, Baltimore

From: SAC, Boston (92-118) (P) (Raymond L. S. Patriarca aka AR

Rebossirtel 10/31/63.

The following information was furnished by BS 837-C.

On 10/31/63, Unman told Patriarca that he had a mysterious telephone call. As a result of this call he was of the opinion that his phone had been tapped. Unman was involved in bookmaking but the informant did not have details concerning this. Patriarca uses a public telephone booth when it is necessary to make important calls.

Another Unman requested Patriarca's help in a case involving an unknown individual who is facing a jail sentence for a crime committed by him. The defendant still has $18,000 from the result of the crime. Patriarca will assist this individual, providing he gets half of the money or $9,000. He did not indicate in what way he would help the defendant. Unman would contact him later when he discussed the details with the defendant.

On 11/1/63, no pertinent information was developed.

On 11/4/63, Louis Taglianetti, Providence, R.I., discussed his Internal Revenue

case with Patriarca. No pertinent information was developed.

Frank Davis, Providence, R.I., still owes the Cranston Loan Co. a substantial amount of money. Davis' former partner Harrington is afraid that he will lose his collateral on a loan that Davis has outstanding.

Patriarca was not sympathetic and told Davis not to worry about Harrington but let him lose his money.

Davis requested Raymond to speak to Dario, president of the Lincoln Downs Race Track, Lincoln, R.I., about the loan with the Cranston Loan Co.; however, Patriarca advised he could not do this under the present circumstances. Raymond stated that he has not made any money in legitimate businesses in the past.

Joseph Krikorian (aka Joe Kirk) contacted Patriarca. Krikorian was not too enthused about taking over Julius Salisbury's gambling business in Baltimore, Md., while Salisbury was in prison. According to the informant, Kirk did not believe that there would be sufficient money in the enterprise; and further, that he did not like the idea of giving up the business when Salisbury is released from prison. He did mention that the number play in Baltimore is extremely good, as in Washington, D.C. Informant was unable to ascertain all details concerning this operation in Baltimore.

Kirk and Patriarca are disgusted with the operation of the Berkshire Downs Race Track, Hancock, Mass. It appeared that the Berkshire Downs Race Track is going into bankruptcy.

Unman, who formerly ran the fights in Providence, R.I., had previously contacted Col. Walter E. Stone prior to his testimony before the Senate Crime Commission in Washington, D.C. He warned Stone not to go out on a limb and to be very general in his statements before this Crime Committee.

Stone apparently did not take this man's advice and, consequently, made a fool out of himself with his testimony concerning Patriarca. Patriarca, however, cleared himself to a great extent at the State Grand Jury, Providence, R.I., on 10/24, 25/63.

Patriarca claims that 99% of Stone's testimony was untrue. Patriarca denied ever being dishonest with his friends and thought that probably Stone when he testified concerning Patriarca's dishonesty among his friends, was trying to get him, Patriarca, knocked off.

Patriarca is aware of the possibility that some of the young punks coming up might figure Patriarca at one time was a stool pigeon and therefore, kill him.

Patriarca does not intend to testify before the Federal Grand Jury at Providence, R.I., which is to be held in the near future. He intends to force Usa Pettine to prove everything. Patriarca believes that Col. Walter E. Stone must have been brain-washed by the AG, Robert Kennedy, to have testified in the manner that he did for the Senate Crime Commission.

The sensitive nature of the informant's position necessitates that every effort be exercised to maintain his security.

Subject should be considered armed and dangerous.

3—Bureau.
2—Baltimore.
1—Washington Field (Info).
2—Boston (92-118) (92-118 sub).
JFK: po'b (8).

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OCTOBER 22, 1964.

To: Director, FBI (92-2961) SACS, Newark, New York.

From: SAC, Boston (92-118) (P) Raymond L. S. Patriarca, aka AR (OO: Boston).

Rebosairiel, 10/20/64.

BS 837-C advised on 10/19/64 that Unman explained to Raymond that he (Unman) was trying to line up some man for a hit and the difficulties which have arisen concerning this. (This possibly deals with the attempted killing of Willie Marfeo, Providence, R.I., which information has previously been disseminated. Nothing additional was obtained concerning this as set out in previous airtels.)

Louis Taglianetti, Providence, R.I., discussed in detail his IRS trial which is in progress.

Patriarca has been subpoenaed to testify in this case inasmuch as Taglianetti claims that he received a salary from the National Cigarette Vending Machine Co. which is owned by Patriarco.

USA Raymond J. Pettine, Providence, R.I., is attempting to force Taglianetti to plead to an income tax violation.

Patriarca was extremely angry in that all his witnesses in the libel case between the Boston Herald Traveler and Patriarca were held in contempt for taking the 5th Amendment. They were also ordered to pay all lawyers fees in connection with this hearing. In the event he is questioned about the Mafia or La Cosa Nostra he is going to reply that the only Mafia he ever heard of is the Irish Mafia that the Kennedys are in charge of. Patriarca will deny knowing of Cosa Nostra until Valachi mentioned it at recent hearings.

Taglianetti is considering feigning a heart attack in order to postpone his tax case.

On 10/20/64, Joe Modica advised that Sam (LNU) is in bad shape financially. Joe inquired of Patsy Capaldo (apparently in connection with the Berkshire Downs Race Track). Patsy appeared before the Crime Commission sometime ago. Joe then discussed the racing dates for the Berkshire Downs Race Track and both he and Patriarca were very disturbed that Lou Smith, who owns Green Mountain, might ask for the same racing dates as Berkshire Downs. Patriarca stated that the track lost $185,000 this year.

Modica was concerned that Patriarca might be of the opinion that he (Modica) was trying to "horn in" on the Hancock Race Track. He explained how Sam Rizzo borrowed the $5,000 to assist him in purchasing the Hancock Raceway at auction. He stated that Rizzo is not off the hook for the $5,000 and that he is still trying to obtain same.

Patriarca told Modica that the word had come down that no one was to do any business with any of Bonanno's group because of the fact that he (Bonanno) failed to show up at a commission hearing when ordered to do so.

Nick Bianco, Brooklyn, N.Y., told Raymond that concerning "that thing" in Jersey he left Tuesday and did not expect to return until Thursday. He met Johnny Coco (Lardiere) and Coco and Nick looked around "for that guy." Nick was of the opinion that he was going to live with them (probably meaning Coco and his group) for a few days. He (Lardiere) showed us where the guy lived and told Nick to go back to Brooklyn and wait for his call.

Patriarca mentioned that Coco helped a lot of the individuals in New Jersey.

Nick stated that Coco called him yesterday and said that he was talking to Tommy (LNU). He told Tommy that he was "pretty successful" and told him (Tommy) "what had to be told." Nick said that it was a telephone conversation and he was not able to fully comprehend the message but was of the opinion that everything was going along satisfactorily. Coco told him to wait for a call from him.

Patriarca mentioned that Rudolph (possibly Sciarra) was in Jersey and he (possibly referring to the victim) "hides in the joints."

Nick left and returned later the same day and continued the conversation relative to the Jersey thing. He stated that he was with Johnny Coco for four or five hours. Nick explained to Coco who the guy was and they searched all the joints.

He told Raymond the guy had a light blue car, registration CL 591. He then added that the 591 was possibly a combination of the numbers 591 and further added that the initials of the guy were backwards, and then added, "RC."

Nick stated that he (victim) hung around with Sonny Diorio's kid whom Patriarca described as a redhead or blond kid. Sonny is a couple of years older than Nick, but the informant had no further description of either the victim or those associated with him.

Patriarca mentioned that the kids were on the junk but the informant was not sure whether he was referring to Sonny Diorio's kid or "the fat kid" that hangs around with him.

Nick was thinking of approaching the "fat kid" but was afraid of scaring him.

Nick further advised of a situation that occurred a short time ago. It appeared that the Feds left and the cops came in—"right into the house." They told Joey that "if you run, we'll put you in for a material witness" and demanded a $200 payoff, which Joey gave them. They ordered Joey to stay in the house. A short time thereafter Rocky (LNU), who is very close to Joey, came walking down the street. He apparently was confronted by the police with shotguns and, after being observed by Joey, the cops were convinced that he was "OK."

Nick stated that those guys have 20 guys who "write for them" and they (meaning the police and Feds) have very good information. They figured out that the information is coming from somebody who is very close to Frank (LNU).

They keep knocking the Carlo and Joey thing.

Ray stated that Joey, whom he described as the guy with Carlo, called him a few weeks ago and said that Carlo wanted to see Patriarca on Thursday, but Patriarca was unable to make the trip. He told Joey to call Friday if Carlo (Gambino) wanted to see him on Friday or thereafter. He has not received a call from Joey since that time.

Nick stated that he met Carlo's brother Joe on the street the other day and Joe told them that Bonanno's group was pulling away from him (Bonanno).

He stated that Mike Zepella (PH), who is with Bonanno, "turned in the other thing" with 63 or 65 guys and they expect more.

Vito, the one in jail, was described as the muscle man for Lelow (PH). It appeared to the informant that Lelow is the top guy of the Bonanno group in Canada. Lelow, according to Nick, took his side (probably Bonanno's) and "does not want to know anything." Everyone else is coming along and the number is now up to approximately 150 (who have apparently defected from Bonanno).

Nick made the statement that Profaci had the smallest group; namely, 120. According to Patriarca, Bonanno has a lot of old people on account of his (Bonanno's) father. The individual who started the ball rolling in connection with the defection from Bonanno was Gasper. He went to Joe Bonanno and said to him "Why don't you straighten this out?" and when Bonanno did not comply with the orders, apparently from the commission, he was the first to defect and they all followed.

Patriarca asked whether the Sheik had straightened that thing out and Nick replied in the affirmative. Nick stated that he is going to move into a hotel in Joey's neighborhood until he can get an apartment.

Nick stated that he has two kids shylocking, one of whom is pretty good. He described one of these kids as the Casale kid who lost his brother and is considered by Nick to be a good worker.

Patriarca mentioned that Johnny Williams is Coco's compare and further that he (Patriarca) made Coco and turned him over to the Jersey group. According to Nick, Coco hangs around at the bowling alley on Bloom-

field Ave. The guy that owns the joint (probably meaning the bowling alley) was recently arrested for counterfeiting and all the guys that hang in there are bank robbers.

The sensitive nature of the informant's position necessitates that every effort be exercised to maintain his security.

Subject should be considered armed and dangerous.

3—Bureau (RM).

2—Newark (RM).

4—New York (1-92-3407) (1-92-2600) (RM).

2—Boston (5-92-118) (92-118 sub 4) (92-118 sub 3).

JFK:po'b (16).

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FEBRUARY 2, 1965.

To: Director, FBI (92-2961) SACs, New York, Newark

From: SAC, Boston (92-118) (P)

Subject: Raymond L. S. Patriarca, aka AR (OO—Boston)

Re Boston Airtel January 28, 1965.

BS 837-C advised that Louis Taglianetti and Bob (LNU) contacted Patriarca. They intend to contact Bernie Ezhaya in order to resolve the Union situation. Informant did not know the details of same.

Henry Tameleo advised he contacted George Kattar and reiterated to Kattar that in order to operate he "must have the State". Kattar told him that he has arranged to payoff the State Police and that he would furnish to Tameleo the identities and the amounts paid to individual members of the State Police. This apparently refers to a gambling operation that Kattar will open in Biddeford, Maine, which was previously reported. The Boston Office is conducting an investigation relative to this matter. It appeared that "Blackie" (LNU) who owns the club had been tipped off by members of the State Police that a game was to be held. In view of this, the opening of the operation has been temporarily discontinued.

Peter Kattar is also attempting to swindle some doctor or dentist of $30,000.

Jack Tripoli has inquired of Kattar whether this deal was actually a swindle and suggested to Kattar if it was, he desired a piece of it. Kattar is of the opinion that Tripoli was only feeling him out to ascertain if same was actually a swindle.

Tameleo stated that Joe Barbosa of East Boston, Massachusetts, was the person who killed Joseph Francione in Revere, Massachusetts, recently. Tameleo also advised that he had contacted Jimmy D. (Deangelis) and requested his assistance to help Louis Grieco. Jimmy was going to contact Probation Officer Hildredge in order to assist Grieco.

Tameleo told Patriarca that he ordered "Big Benny" Teresa to get rid of Barney Villani. Villani, according to Tameleo is a stool pigeon and has testified in court against an unknown individual involving an arson deal.

Tameleo advised that Jerry Angiulo had requested that he, Tameleo, find out who was responsible for the murder of Henry Reddington recently. Angiulo had received inquiry from New York concerning this. Tameleo ascertained from Joseph Modica that Samuel Linden had been asked by some unknown individual whether he desired the killing of Reddington to be postponed inasmuch as Linden was owed $8,000 by Reddington. Linden told this individual that he did not care about the $8,000 and did not desire to hear any further information concerning the proposed killing of Reddington. Patriarca instructed Tameleo to ascertain the identity of the individual who approached Linden.

There was also talk of Frank Smith who was a close associate of Linden, Patriarca was of the opinion that Smith, a local hoodlum, was the individual who probably asked Linden the above.

On 1/20/65, Edward "Whimpy" Bennett and Stephen Flemmi contacted . . . who was responsible for the Reddington murder. Bennett and Flemmi did not know but did discuss various murders in Boston and the reasons therefor. The Informant was unable to ascertain the details of this information.

There was also talk about the McLaughlin-McLean feud but the Informant was unable to ascertain the details of same. There was mention of a meeting in connection with this but the Informant could not ascertain the details of same.

Unman contacted Patriarca and indicated that he has construction jobs in Maine, Connecticut and Rhode Island. Unman claimed that the Union Hall was not sending men to his jobs and that he was suffering because of this, laborwise. Patriarca indicated that he would assist him in this regard. Details were not known to the Informant.

On 1/30/65, Informant advised that Patriarca was leaving Providence. Patriarca was surveilled to New York City by Boston Agents where the surveillance was taken up by New York Agents.

The sensitive nature of the informant's position necessitates that every effort be exercised to maintain his security.

Subject should be considered armed and dangerous.

3—Bureau (RM).

2—New York (RM).

1—Newark (RM).

7—Boston (5-92-118) (02-118 Sub 4) (02-118 Sub 3).

JFK: ds.

(13).

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FEBRUARY 18, 1965.

To: Director, FBI (92-2961)

From: SAC, Boston (92-118) (P)

Subject: Raymond L. S. Patriarca, aka AR (Co: Boston)

Rebosairtel, 2/12/65.

BS 837-C advised on 2/16/65 that no pertinent information was developed, with the exception that Patriarca's wife was feeling extremely bad that day and indications are that she will probably have to go back to the hospital.

On 2/17/65 three UNMEN (one of whom is possibly Arthur (LNU) discussed a union problem involving the Gilbano Construction Co. One of the UNMEN is seeking a position in this union and another UNMAN says that the unions is the "lousiest in New England" and is the second largest.

The union representative in Hartford, Conn. is Mike Bolozano (PH) who apparently hires only members with criminal records. One of the UNMEN is attempting to obtain a pension from the union inasmuch as he is physically incapable of being employed.

Louis Taglianetti was complaining about additional IRS inquiries concerning him and the fact that he thinks his telephone is tapped.

He complained to William Adams of the New England Telephone & Telegraph Co. concerning this possible tap . . .

No further information was developed.

The sensitive nature of the informant's position necessitates that every effort be exercised to maintain his security.

Subject should be considered armed and dangerous.

3—Bureau (RM).

1—New Haven (Info) (RM).

Seven—Boston (5-92-118) (92-118 Sub 4) (92-118 Sub 3).

JFK:po'b.

(11).

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OCTOBER 29, 1964.

To: Director, FBI (92-2961) SAC, New York.

From: SAC, Boston (92-118) (P)

Subject: Raymond L. S. Patriarca, aka AR (00: Boston).

Rebosairtel, 10/27/64.

BS 837-C advised on 10/26/64 that John Biele, aka John Foto contacted Patriarca. Foto stated he saw Pogey Tauriello in Florida last year and also saw Patsy Erra but did not indicate the circumstances under which he met them. Foto is carrying a .32-caliber Derringer gun. General conversation took place between Patriarca and Foto which was not pertinent.

Louis Taglianetti of Providence, R.I., discussed his IRS income tax trial in detail with Patriarca, none of which is pertinent to this investigation.

An individual believed to be Danny Raimondi's father contacted Patriarca. Raimonda questioned Patriarca about the fate of Bonanno, Raymond explained that he was called to New York three weeks ago, during which time the fate of Bonanno was discussed. They decided that Bonanno was no longer a Boss or Commission Member. They also put out the word that nobody is to have any business dealings or association with any members of the Bonanno group.

A week later, Patriarca received another call from New York to attend another meeting. However, prior to the time he left Providence, this meeting was cancelled for some unknown reason. It was Patriarca's opinion that Bonanno was not killed by any member of the opposing faction. He pointed out that, if the opposing faction wanted him killed, they would have done so at the time they grabbed him on Park Avenue, as is the case in most killings of this type, particularly when there are witnesses, such as the lawyer, around.

He pointed out that they were taking a chance in kidnapping Bonanno and killing him later and could not see why it would serve any purpore to kidnap him first. Because of this, he believes that Bonanno is still alive and that he, Bonanno, engineered the alleged kidnapping. He pointed out that he is not sure of this, but it is only his opinion.

Raymond stated that he spoke to the group in New York in behalf of Raimondi and told them that, because his son is "with him," meaning Patriarca, they should not cause him, Raimondi, any harm. Raimondi pointed out that Gus Marino (ph) was thrown out, apparently by the Bonanno group. Raimondi is a member of the Bonanno family.

Patriarca further pointed out that, when Bonanno did not appear before the Commission when requested on eight or nine different occasions, he was given one additional chance. Instead of Bonanno himself appearing, his son appeared, but they told him that they did not want to talk to the son, but the father. Raymond explained that about one-half of Bonanno's group have turned themselves in to the Commission. He pointed out that even Bonanno's relation by marriage who was on the Commission voted to throw Bonanno out of Cosa Nostra. This Commission Member was described as being from Detroit.

Raimondi mentioned the name of Caruso and stated that Larry (probably Gallo) was going "there" Thursday again. Informant did not know the significance of this statement.

Raymond pointed out that the Soldiers of Bonanno are regarded as being with Bonanno until they declare themselves otherwise to the Commission. Raymond pointed out that he wanted no fighting among this group and stated that Bonanno was the cause of his own downfall, because he was so greedy.

Raimondi then mentioned that he at one time was very wealthy and, because of his habit of helping friends financially, he has lost most of his money. He pointed out that at one time an individual name not mentioned, was given an order to kill somebody. While completing the murder, he was observed by a witness. Later, on another job, probably murder, he was picked up and identified by the witness in the first murder. A payoff of $5,000.00 was necessary to "square the rap away." $3,000.00 was furnished to a Lt. Dunn (ph) for this purpose and the

charge was dropped. The individual was released and the following day he was also murdered. This resulted in the loss of $5,000.00 to Raimondi.

The main purpose of Raimondi's visit to Patriarca was to force his son, Danny Raimondi, of Providence, R.I., to call his mother twice a week and send her $10.00 a week, as she is very sick. Patriarca said that he would make Raimondi telephone the mother twice and visit her at least once every two weeks and send her $10.00 per week.

On 10/27/64 John Baborian and Patriarca discussed the Berkshire Downs Race Track. This track lost $140,000.00 last year and Baborian requested Patriarca's intervention with Lou Smith, owner of Rockingham Race Track, Salem, N.H., and the Green Mountain Race Track in Vermont. The reason was to make sure that Smith would not request the same racing dates at Green Mountain Race Track as those requested by Berkshire Downs Race Track.

According to Baborian, Doc (probably Sagansky, who has a financial interest in Berkshire Downs Race Track) does not desire to sell his interest. The Berkshire Downs Race Track now owes $12,000.00 to various horse men and $5,400.00 to someone else. They have reduced the mortgage by $50,000.00; $11,000 of the money in Berkshire Downs belongs to Campanella & Cardi Construction Company. Patriarca advised that he would have Smith contacted in order to eliminate any conflict in racing dates.

The files of the Boston Office reflect that Daniel Raimondi, aka Daniel Lytwyn, is the son of Nellie Raimondi, nee Lytwyn, who in 1939 resided with Danny's step-father, (FNU) Raimondi, with a married daughter, Mrs. Walter Mates, 2037 West Fifth Street, Brooklyn, New York.

The sensitive nature of the informant's position necessitates that every effort be exercised to maintain his security.

Subject should be considered armed and dangerous.

3—Bureau (RM).

4—New York (1 92-2600) (RM) (1 92-Raimondi) (RM).

7—Boston (5 92-118) (92-118 sub 4) (92-118 sub 3).

JFK/ncr (14).

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JANUARY 28, 1965.

To: Director, FBI (92-2961), SACS Miami, New York, Philadelphia

From: SAC, Boston (92-118) (P)

Subject: Raymond L. S. Patriarca AR (00: Boston)

Rebosairtel, 1/26/65.

PS 837-C* advised on 1/25/65 that Joe Modica, Boston, Mass., contacted Patriarca specifically concerning the Berkshire Downs Race Track in which Raymond Patriarca allegedly has a financial interest.

Patriarca told Modica to contact his friend who is allegedly extremely close to Attorney General Edward W. Brooke of Massachusetts and have him arrange to release the $100,000 bond that is being held by the Massachusetts Court in connection with civil suits that have been heard in Massachusetts courts.

Patriarca told Modica that it was necessary for "Doc" (possibly "Doc" Sagansky of Boston, Mass.) to put an additional $300,000 in to the track in order for it to open for the 1955 season. In the event the $100,000 bond mentioned above is released by the courts to Salvatore Rizzo, Patriarca assured Modica that he would get his $5,000 back, which he loaned to Rizzo, plus an additional $5,000 interest.

Patriarca explained that Johnny Wilson's uncle in NYC had indicated that he had a prospective buyer for the track for $900,000, but the deal fell through.

Modica mentioned Abe Barese (PH) located in East Boston and his connection with some crap game located there. (Informant was unable to ascertain details concerning same.)

Gennaro J. Angiulo and Peter Limone contacted Patriarca. Angiulo discussed in detail his pending case involving the assault of a federal officer in the North End section of Boston.

It will be recalled that an Internal Revenue Service undercover man was questioned by Angiulo and his associates, Peter Limone and William Cresta, concerning his true identity and was told to get out of the North End section of Boston.

Angiulo stated that he had contacted Attorney Francis Di Mento, a former Assistant United States Attorney, and requested him to defend him. Di Mento asked for $25,000, plus an additional $5,000 in the event it went to the Supreme Court. Angiulo refused but subsequently did agree on a fee of $10,000, plus $5,000 in the event the case went to the Supreme Court.

Their plan of defense is to attack the words noted in the indictment, "wilfully and forcefully assaulted," and point out that they did not know the identity of the individual, nor did they actually forcefully eject him from the location in which they talked to him.

Their alibi is to contact Eddie Griffin who is a "90% blind man" and request him to testify that he asked Angiulo to question a sailor who lived in his house concerning the rape of a girl in the North End.

It is to be noted that the undercover man was posing as a sailor and resided in the North End section.

They intend to get another stand-up witness who will testify that he overheard Griffin ask Angiulo the above, but that he did nothing about it and just walked away. In this way they feel that Griffin's testimony will be substantiated.

Roy French, a horse trainer, contacted Angiulo through an intermediary requesting assistance to obtain a license as a horse trainer at the Rhode Island tracks.

Patriarca indicated he would assist in this.

Jimmy O'Toole, close associate of Top 10 Fugitive George Patrick McLaughlin, contacted Peter Limone and requested that arrangements be made for him to see Patriarca. The reason for the request was to make arrangements that George McLaughlin could contact Patriarca telephonically. A lengthy discussion took place as to the best procedure and the tentative arrangements were that O'Toole was to call Peter Limone. He, in turn, would give a number of a public phone. Fifteen minutes later O'Toole would call the public phone number, during which time Limone would attempt to contact Patriarca and make arrangements for him to go to another public telephone. The telephone number would be relayed to McLaughlin as to the phone number Patriarca could receive a phone call and, thereafter, he would call Patriarca. (The reason for this contact is not known to the informant.)

During the conversation concerning McLaughlin, Patriarca asked Angiulo whether he heard that George "wanted to get in with Bernie McGarry." (This apparently occurred some time ago when Harold Hannon was involved in efforts to arrange George's "getting in with Bernie McGarry.) There was also a comment that Bennett, according to Hannon, was trying to frame the McLaughlins and the McLaughlins were very apprehensive of Bennett.

According to Angiulo, Hy Gordon bought the diamonds from the kids (no further description) for $29,000. (This probably occurred in Miami, Fla., as Johnny Foto, who allegedly is presently in Florida, was the individual who brought the kids to Hy.)

Angiulo stated that when he was recently in Miami, Santo (Trafficante) introduced a lawyer for Hoffa to Patsy Erra. He described Erra to the lawyer as the owner of the Dream Bar. Erra denied same emphatically in front of the lawyer.

"Keystone" Lepore of Providence, R.I., presently vacationing in Miami, Fla., received a franchise for juke box machines with a small television attached thereto, whereby an individual can actually see the recording artist singing and dancing, for Massachusetts, Rhode Island and Michigan.

Angelo Bruno of Philadelphia, Pa., is one of the individuals issuing the franchises for various states in the country.

Angiulo stated that the crap game in Boston has a bank of $15,200, and they decided to cut up $6,000 of the above.

An individual named Bandes, whose first name is possibly Danny, was the original owner of this crap game which was taken over by Patriarca and his group.

Larry Baione, recent release from Massachusetts State Prison, requested permission to open another crap game, and Patriarca refused same inasmuch as Bandes did request permission from Angiulo to give a certain percentage of the crap game to Baione when he was in prison and renewed the offer when he was released.

Patriarca agreed to Bandes' furnishing 5% of his take of the crap game directly to Larry Baione but warned that Baione's piece was not to come off the top.

Raymond also advised that during his recent visit to NYC he was to meet Tommy Brown and Tommy Ryan. However, when Mike walked in to the restaurant he told them that there was "a 24-hour watch" on both Brown and Ryan.

"Pony, the Sheik" was mentioned as being scheduled to attend the meeting and it was not clear to the informant if he actually did attend same. One of the individuals probably who did attend, named Tony was recently made a "cape regime." Sam Cufari of Springfield, Mass. also attended. Because of the warning by Mike of the 24-hour surveillance of Brown and Ryan, they became particularly alert to any surveillance.

They did observe an individual wearing a hearing aid, and all suspected him of being "a Fed."

Patriarca warned Angiulo to be cognizant of any individual wearing a hearing aid and instructed Angiulo to warn the individual around Boston.

On 1/26/65, Louis Taglianetti of Providence, R.I., advised Patriarca that he was worried about the FBI inquiries made concerning him in Brooklyn, N.Y. He believes that his troubles with IRS created an FBI interest in him.

Patriarca, in the discussion, stated that Carlo (possibly Gambino) was related to the man in Springfield (possibly referring to Sam Cufari).

Taglianetti told Patriarca about a scheme that he has been working on for approximately two years. It appears there are two associations—one in Brooklyn, N.Y. and one in New York, N.Y., consisting of 100 and 300 members, respectively. The president of one of these associations is married to the daughter of "a boss." Taglianetti could not recall his name. The president of the other association knows a "friend of ours."

Taglianetti and Frankie (LNU) attempted to bring them together as the New York association has "a little weight" and is hurting the Doctors in Brooklyn.

Arrangements were made for the two Doctors to meet with Taglianetti and Frankie; however, the Doctor in New York kept postponing a meeting, the last time his excuse being that he was going to Michigan.

Taglianetti intends to cause dissension and then has threatened one of the doctors by having someone else make threatening calls to him.

When Taglianetti met one of the Doctors he (the doctor) "knew who we were and what it was all about." Taglianetti apparently intends to shake down the Doctors in these associations and made the comment that "We'll get in there somehow."

Patriarca cautioned him to be very care-

ful as he could not trust the Doctors involved.

Taglianetti stated that one Doctor called him and agreed to make Louis' Doctor friend from Brooklyn president of the association, but arrangements have not been finalized in this direction. Louis desires that Frankie get someone to threaten the Doctors, as "You can't get money from nothing," and further points out that the Doctors scare easily.

Bobby (LNU) called Louis the previous night and stated that one Doctor had changed his mind. Louis made mention of the fact that the associations cost the Doctors $100 to join the organization. (Possibly Chiropractors Association).

Frankie (LNU) from Boston, Mass., contacted Patriarca and discussed the recent underworld killings in Boston.

Raymond tells Frankie to keep off the street as much as they can because of the recent roundups of criminals in Boston by the local police.

Frankie stated that all the people are getting scared of Jimmy (apparently referring to James Flemmi) and asked Raymond to talk to Jimmy and impress upon him that there should be no more killings in Boston.

Raymond agrees to talk to Flemmi and made a statement that "If the killings don't stop I'll declare martial law."

Patriarca indicated that he thought very highly of James Flemmi.

The sensitive nature of the informant's position necessitates that every effort be exercised to maintain his security.

Subject should be considered armed and dangerous.

3—Bureau (RM).
2—New York (RM).
4—New York (RM).
2—Philadelphia (RM).
7—Boston (5-92-118) (92-118 sub 4) (92-118 sub 3).
JFK: po'b.
(18).

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HOW FBI ABBREVIATES

FBI initials and terminology appearing in the hearing transcripts have these definitions:

"SAC"—"special agent in charge."
"UNMAN"—"unknown male."
"LNU"—"last name unknown."
"FNU"—"full name unknown."
"(PH)"—"phonetic."
"BS 837-C"—the identification of an FBI agent.
"aka"—"also known as."

Mr. HRUSKA. I might add to that that in the study made by the President's Crime Commission this observation was made. While no one knows the total take, from illicit gambling alone, without reference to any of these other organized crime activities, the best estimates available to the Commission indicated an annual profit of between $6 and $7 billion a year.

This illegal, nontaxed income is greater than the combined net profiit last year of A.T. & T., General Motors, and Standard Oil of New Jersey, the three largest corporations in this country.

So anyone who seeks to maintain that organized crime constitutes only a tiny part of the criminal activities in America certainly would have to swallow very hard, taking into consideration, just this one segment of organized crime alone, the tremendous profit, mostly in cash, that seems to be realized.

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

Mr. HRUSKA. I yield to the Senator from Michigan.

Mr. HART. Mr. President, I came to the floor about the time the able Senator from Nebraska was commenting on the Berger case and indicating that this bill was drafted in the light of the Berger decision.

May I inquire whether the Senator from Nebraska regards the Berger case as requiring that notice shall be given, even though it is pursuant to a court order, that a tap is going on?

Mr. HRUSKA. The terms of the bill would require a notice served in due time, and there is also a requirement for a return on the order, just as there is a return on a search warrant for the seizure of any evidence.

Mr. HART. I think this is important. The Senator from Nebraska and I have been privileged to sit with the Senator from Arkansas on the special Subcommittee on Criminal Laws and Procedures, hearing much testimony in this area.

The analogy is often suggested between the historically approved search warrant and an order obtained from a court to permit taps. The thing that bothers me is that in the case of a search warrant, you are talking about tangible physical property, and there is public recognition and knowledge of the fact that somebody is opening the door.

There is no way, as I see it, that anybody will ever know when the tap goes on—and this, in my judgment, makes a very different case.

I think that the requirement of notice is one that may respond to this kind of concern. I certainly shall read the Senator's bill with interest.

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

Mr. HRUSKA. I yield to the Senator from Arkansas.

Mr. McCLELLAN. I did not quite understand what kind of notice is proposed in the Senator's bill as has been discussed here this afternoon.

Mr. HRUSKA. The opinion in the Berger case is not very specific nor detailed on the subject of notice. It does name it as one of the elements that would obviously be required, at least in the mind of retired Justice Clark.

The bill as written would provide for the notice to be served not later than 10 days before a trial which would seek to use the evidence which has been gathered.

Mr. McCLELLAN. Is the notice to be served on the one whom it is sought to get information about, to listen in on?

Mr. HRUSKA. No; it is served on the defendant in a case that is prosecuted, in which evidence gathered by this tap would be used. The preceding subsection, incidentally, has an outside limitation of 1 year, in any event.

Mr. McCLELLAN. Let me see if I understand about the notice. After the testimony has been procured, after the tap or the surveillance has been made the evidence obtained then before it can be used in the trial of a case, 10 days before the trial the defendant is to be given notice that the Government possess such evidence, is that correct, and that it proposes to use such testimony against him?

Mr. HRUSKA. That is correct. The provisions, which are a part of section 3(a) of the bill, read as follows:

(i) Within a reasonable time but not later than one year after the termination of the period of the order or extensions thereof, the issuing judge shall cause to be served, on the persons named in the order, an inventory which shall include notice of—

(1) the fact of the entry of the order;

(2) the date of the entry and the period of authorized or approved interception; and

(3) the fact that during the period wire or oral communications were or were not intercepted and recorded:

On an ex parte showing of good cause to a judge of competent jurisdiction the serving of the inventory required by this subsection may be postponed.

(j) The contents of any intercepted wire or oral communication or evidence derived therefrom shall not be received in evidence or otherwise disclosed in any criminal proceeding in a Federal or State court unless each defendant, not less than ten days before the trial, has been furnished with a copy of the court order under which the interception was authorized or approved. This ten-day period may be waived by the judge if he finds that it was not possible to furnish the defendant with the above information ten days before the trial and that the defendant will not be prejudiced by the delay in receiving such information.

Mr. McCLELLAN. I do not find, as of now, that I would have any objection, after the evidence had been received and before trial, for the defendant be given notice of it, and also being advised—as far as I can see now—of the nature of that evidence, so that he may judge whether the evidence is persuasive or substantial enough to secure or help secure a conviction. A defendant might feel persuaded, under such circumstances, to enter a plea of guilty and not burden the court with a trial.

But if there is any contemplation or thought on the part of those who are opposed to this method of securing evidence that a notice should be given to whomever it is sought to apply the surveillance or a tap to ascertain what might be discussed or talked about in furtherance of a crime, it seems to me that would be an exercise in futility.

Mr. HRUSKA. Yes, indeed it would.

Mr. McCLELLAN. Suppose you serve a Cosa Nostra leader or a hoodlum with a notice that you are going to tap his wire. It would be just as well——

Mr. HRUSKA. That criticism would lie well, and it would be well based if the notice were given contemporaneously with the issuance of the order or close in time thereto.

Mr. McCLELLAN. Certainly it would.

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

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the Senator may have an additional 15 minutes.

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

Mr. McCLELLAN. I see no objection whenever a court order has been obtained in this fashion.

I agree that a return should be made on the order to the court issuing the order. The return should state what has occurred, and the evidence procured should be filed with the court and be in the court's custody before the trial. And the defendant should be given notice of it or be informed or advised as to the nature of the testimony against him.

I am sure that I would not object to his

having a transcript of the testimony. I think he ought to be put on notice. However, any argument or proposal that we should notify the thief that we are going to be there watching for him before he gets there is absurd in my point of view.

If we are undertaking to pursue a vigorous course of law enforcement, then to notify somebody that we are going to provide surveillance over his telephone, the giving of notice to him would be a warning that he should not act, or talk on that phone but that he should go some place else and do his telephoning. It would simply amount to that.

We would be aiding the criminal instead of apprehending the criminal.

Mr. HRUSKA. The Senator is correct. I call to the attention of the Senator from Arkansas the fact that the bill which he authored and introduced—and which I was most happy to cosponsor—S. 675, was introduced before the Berger decision on June 12. There is a similar provision for notice to which the Senator refers in section 8(f) of his bill.

Mr. McCLELLAND. Mr. President, I wanted to get the record straight. When we talk about notice, we are not talking about giving somebody notice before the act has taken place, but after the surveillance has occurred, so that they can be confronted with the evidence of their own criminal act.

Mr. HRUSKA. The Senator is correct. And it is not anticipatory notice to the wiretap, but only to the trial that will be later held.

Mr. HART. Mr. President, I ask a question to get the record straight also.

Some of us think that the knock on the door is very good discipline in a free society. And let us not forget this tradition that we so eloquently speak to, of notice for the individual, and the suggestion that sometimes is made that the difference between a police state and a free society is the knock on the door.

There are plenty of us here, I hope, who want to make sure when we are dealing with the more esoteric devices that science has put in our hands with which to spy on each other that there is some kind of assurance, if we are going to use them at all, that there be an opportunity early in the game to blow the whistle against abuse. And 10 days before trial, 1 year after the tap has been put on, may or may not be sufficient notice.

I think this is the kind of question that the committee should give attention to.

Mr. HRUSKA. Mr. President, the Senator from Michigan should be informed that the Supreme Court has already upheld the constitutionality of a no-knock statute from, I believe, the State of Illinois. So, they have considered this with reference to the creation of any hardship on any individuals or the deprivation of their constitutional liberty.

With reference to the claim that there would be the creation of a police state, let me say that the first duty of any civilized society is to survive. That is its first duty. The way organized crime is marching down the highway of criminal activity and the momentum has gained and the wide scope of its efforts have been such that we wonder whether that could be considered as a threat to national security and whether we are not engaged in an effort to survive.

So, there must be that balance between the constitutional rights of the individual, which are largely theoretical and many times practical, and the ability of the group and society to actually live in peace, security, and safety.

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

Mr. HRUSKA. I yield.

Mr. McCLELLAN. Mr. President, I did not hear the speech of the Senator. But I certainly commend him for the position he has taken with respect not only to the bill he has introduced, but also to the other measures that that are now pending in Congress which measures are designed and intended to strengthen the law enforcement agencies of this Nation.

These agencies need strengthening. Law enforcement is today, I think, in the weakest status it has ever been in the history of our Nation. And the time for action is here and now. The sentence that we used to type in our practice on the typewriter: "Now is the time for all good men to come to the aid of the party," can very well be paraphrased by saying: "Now is the time for law-abiding citizens of this Nation to come to the aid of their country and their Government." Otherwise, we are heading for a chaotic condition. We have symptoms of it every day. The time is here to quit being timid about it and to quit arguing over little frivolous things concerning this technicality and that technicality.

It is time for positive action, and if Congress has not the courage to enact such laws as may be necessary, it will be contributing to a condition that may well to bring disaster to our Nation.

I thank the Senator.

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

Mr. HRUSKA. I yield.

Mr. LAUSCHE. Mr. President, the discussion has been as to whether we have organized crime in the United States.

Throughout my whole life, I have always viewed with deep compassion the individual who commits a wrong that brings him to the criminal court and, frequently, to jail.

I have always looked with the firmest aversion upon those engaged in organized criminal activities.

Do we have organized crime? Are we dealing with organized crime in an effective manner to protect the innocent people of our Nation?

I want to discuss briefly what happened yesterday in the House of Representatives, under the dome of the Capitol of the United States.

Sometime yesterday morning, a group of 75 persons—I suppose by coincidence—assembled in New York. They arrived in Washington, in buses, about 2:20 p.m. They arrived here in a group; they arrived by organization. After they reached Washington, they invaded the Capitol of the United States. They were led by, among others, a man named Gray, who is a known participant in riots, demonstrations, and similar activities in New York City.

The group went to the House of Representatives, rode down the policemen who were there as guards, and asserted their domination over the Chamber of the House of Representatives. I quote from this morning's News:

SEVENTY-FIVE INVADE CAPITOL HILL FOR RAT BILL

About 75 demonstrators forced their way into the House of Representatives gallery yesterday, shortly after the House had adjourned, and chanted "Rats cause riots."

I complain not about their disagreement with what the House did. I express no opinion about the merits of what the House did, but in our system of democracy, there is an orderly and a disorderly way of doing things. There is a lawful and an unlawful way of doing things. The 75 persons who assembled in New York, boarded a bus, and came to Washington, did so with the avowed purpose of invading the Capitol of the United States to conduct their activities.

Private Earl Gasset, a Capitol policeman who fought with the demonstrators, was admitted to Bethesda Naval Hospital.

* * * * *

Lt. George Reid, of the Capitol Police Force, suffered a black eye, but refused to be hospitalized.

The demonstrators rode down the guards. I suppose the charge will be made: "Police brutality."

What happened when the demonstrators were brought to court? They were released on personal bond of $10. They went back to their buses and returned to New York. Gray and the others who committed assault and battery were told by the court that their actions were merely disorderly conduct. Disorderly conduct is the practice of an individual who becomes disturbing in his environment. It is not the conduct of 75 persons who assemble in New York City, board a bus, travel more than 200 miles to Washington, and then invade the Capitol.

Mr. TALMADGE. Mr. President, will the Senator from Ohio yield at this point?

Mr. LAUSCHE. In just a moment.

We hear talk about the nonorganization of crime. God spare our country from what the ultimate destiny will be by the expounding of that kind of philosophy. God spare our country from what will happen when we tolerate the daily condemnation of the police for alleged brutality, the failure to condemn those who are to blame, and the constant inclination to blame those who are innocent.

Organized crime—this is organization. And yet the courts, true to their form, forget the dignity of our Government, forget the rights of the private policemen, the lieutenant policemen, and think only of the criminal. Tragically this philosophy has started from the highest court down to the lowest court, where the innocent are forgotten and the criminals are defended and protected.

I yield to the Senator from Georgia.

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

Mr. HRUSKA. I ask unanimous consent that I may proceed for 3 additional minutes.

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

Mr. HRUSKA. I yield to the Senator from Georgia.

Mr. LAUSCHE. The judge who fixed the bonds at $10 is completely lacking in the effective and just performance of his duty. He has no concept of what is serious to our country.

Mr. TALMADGE. The able Senator from Ohio has just made the point that I desired to make. The Senator mentioned the $10 bond. I read the article in this morning's newspaper, and I, too, was shocked that a person charged with an offense of such gravity would be released on $10 bond.

Is it not true that for most traffic offenses, a bond greater than $10 is required?

Mr. LAUSCHE. Yes, surely, it is true. That is undoubtedly true.

Mr. TALMADGE. I thank the able Senator for yielding.

Mr. LAUSCHE. Here is an invasion of the Capitol of the United States and the running down of policemen, and the courts describe it as disorderly conduct and release those charged on a $10 bond, to go back to New York, singing and glorying in the fact that they accomplished their objective. How are you ever going to get anywhere in maintaining democracy, with that type of conduct by law-enforcement officials?

I thank the Senator from Nebraska for yielding.

Mr. HRUSKA. I yield the floor.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 839. An act to amend title 10, United States Code, to provide that members of the Armed Forces shall be retired in the highest grade satisfactorily held in any armed force, and for other purposes;

H.R. 2834. An act to amend the act of June 10, 1938, relating to the participation of the United States in the International Criminal Police Organization;

H.R. 5645. An act to revise the provisions of title 10, United States Code, relating to the recoupment of disability severance pay under certain conditions;

H.R. 5784. An act to authorize the disposal of molybdenum from the national stockpile;

H.R. 5787. An act to authorize the disposal of rare-earth materials from the national stockpile and the supplemental stockpile;

H.R. 5788. An act to authorize the disposal of bismuth from the national stockpile and the supplemental stockpile;

H.R. 8009. An act to amend title 10, United States Code, to remove the restriction on the use of certain private institutions under the dependents' medical care program;

H.R. 8375. An act to amend title 37, United States Code, to authorize a dislocation allowance under certain circumstances, certain reimbursements, transportation for dependents, and travel and transportation allowances under certain circumstances, and for other purposes;

H.R. 10242. An act to amend title 10, United States Code, relating to the authorized strengths by grade for medical and dental officers on active duty in the Army, Navy, and Air Force; and

H.R. 11144. An act to authorize an increase in the number of Marine Corps Reserve officers who may serve in an active status in the combined grades of brigadier and major general.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 413), World Farm Center, in which it requested the concurrence of the Senate.

## ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills:

H.R. 4496. An act for the relief of the village of Brooklyn Center, Minn.;

H.R. 4833. An act to provide for the conveyance of certain real property of the United States situated in the State of Pennsylvania;

H.R. 7043. An act to authorize and direct the Secretary of the Department under which the U.S. Coast Guard is operating to cause the vessel *Northwind*, owned by Wallace P. Smith, Jr., of Centreville, Md., to be documented as a vessel of the United States with coastwise privileges; and

H.R. 8485. An act for the relief of Eddie Garman.

## HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 839. An act to amend title 10, United States Code, to provide that members of the armed forces shall be retired in the highest grade satisfactorily held in any armed force, and for other purposes;

H.R. 5645. An act to revise the provisions of title 10, United States Code, relating to the recoupment of disability severance pay under certain conditions;

H.R. 5784. An act to authorize the disposal of molybdenum from the national stockpile;

H.R. 5787. An act to authorize the disposal of rare-earth materials from the national stockpile and the supplemental stockpile;

H.R. 5788. An act to authorize the disposal of bismuth from the national stockpile and the supplemental stockpile;

H.R. 8009. An act to amend title 10, United States Code, to remove the restriction on the use of certain private institutions under the dependents' medical care program;

H.R. 8375. An act to amend title 37, United States Code, to authorize a dislocation allowance under certain circumstances, certain reimbursements, transportation for dependents, and travel and transportation allowances under certain circumstances, and for other purposes;

H.R. 10242. An act to amend title 10, United States Code, relating to the authorized strengths by grade for medical and dental officers on active duty in the Army, Navy, and Air Force; and

H.R. 11144. An act to authorize an increase in the number of Marine Corps Reserve officers who may serve in an active status in the combined grades of brigadier and major general; to the Committee on Armed Services.

H.R. 2834. An act to amend the act of June 10, 1938, relating to the participation of the United States in the International Criminal Police Organization; to the Committee on the Judiciary.

## HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 413), World Farm Center, was referred to the Committee on Agriculture and Forestry, as follows:

H. CON. RES. 413

Whereas the business of agriculture is a basic industry vital to the economy and sustenance of the United States of America and the entire world; and

Whereas the development of techniques, research, and procedures for the improvement of the agricultural industry is necessary to the well-being of the farmers and consumers of farm products; and

Whereas World Farm Center advocates from all segments of the agribusiness industry are cooperating in the founding of a World Farm Center at Ontario, San Bernardino County, California, as a service organization which is designed to—

(1) serve as an agricultural "clearinghouse" and marketing information center;

(2) encourage, assist, and cooperate in agricultural research programs with universities, governmental agricultural agencies, and private agencies;

(3) develop the site of World Farm Center as a manufacturing and/or demonstration and display center for all types of agricultural machinery and equipment;

(4) establish prototype agricultural enterprises for display and production;

(5) establish a convention center for agricultural organization meetings;

(6) engage in other service and educational functions which will advance the agricultural industry;

(7) establish a center for offices or companies, associations, governmental and others; and

(8) improve public relations between agriculture and the general public: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring)*, That the concept of World Farm Center be endorsed as a means of furthering the advance of national and international agriculture without any cost or obligation on the part of the United States.

## NEIGHBORHOOD EMERGENCY FUND ACT OF 1967

Mr. RIBICOFF. Mr. President, on behalf of myself and the junior Senator from Illinois [Mr. PERCY], I introduce for appropriate reference a bill entitled "The Neighborhood Emergency Fund Act of 1967." I ask unanimous consent that the text of the bill be printed immediately following the statement that I shall make.

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

Mr. RIBICOFF. Mr. President, for myself and on behalf of the Senator from Illinois [Mr. PERCY], I make the following statement in explanation of the bill:

Four facts rise above the tumult surrounding the crisis in our cities:

First, the problems we seek to solve have already been studied repeatedly. Although we must continue to expand our knowledge, we have enough information with which to establish priorities and act today.

Second, the executive branch lacks the budgetary and programmatic flexibility it needs to respond swiftly and effectively to urban emergencies. At present, the President can call only on a $1 million contingency fund and $6 million in unobligated disaster relief funds in the Office of Emergency Planning.

Third, the Congress has a responsi-

bility to provide the President with the authority to render assistance to local governments and community groups—allowing them the freedom to direct their energies and resources to local situations with local leadership and initiative.

Fourth, though a national commitment must be initiated in Washington, the final resolution of the acute problems of our cities will be achieved only through local leadership and through the fullest use of private resources.

Accordingly, we are introducing today in the Senate the Neighborhood Emergency Fund Act of 1967.

The act, which is based in part on the imaginative concept advanced last week by the Senator from Kentucky [Mr. MORTON] gives the President the authority to transfer up to 2 percent of the Federal nondefense budget into an urban emergency fund. In the fiscal 1968 budget request, nondefense spending totals approximately $55 billion. Thus, the act would authorize a fund of up to $1.1 billion.

The bill authorizes the President to make "community grants" to assist public and nonprofit organizations to carry out locally initiated and neighborhood-oriented programs in urban areas. The authority will end on December 31, 1968, and the President is required to make semiannual reports to the Congress on the administration of the act.

We have drafted the legislation in a way that would impose a minimum of Federal restrictions on local initiatives. Rather than establishing strict Federal guidelines and regulations, the bill aims at stimulating local ideas and local action.

This is not a new Federal program. Nor does it require new Federal spending. The bill would give impetus to voluntary efforts at the neighborhood level through programs that are initiated, organized, developed, and directed by local citizens, local groups, and local governments. It would focus attention on the great potential of resources that can be mobilized on a neighborhood-to-neighborhood basis to counter the growing crisis in our Nation's urban centers.

We have avoided the establishment of strict programmatic guidelines. But we believe that priorities can and should be set.

The bill gives priority to the creation of more jobs, better housing and improved law enforcement. We believe that employment opportunities are especially important. The statistical portrait of the cities of America shows that job opportunities are the greatest need in the central cities. Under this legislation, jobs could be provided in the private sector—through training and insurance programs—or through a program of public service employment, in schools, hospitals, or municipal services, and through creation of better housing.

The overwhelming majority of Americans is united in opposition to civil disorders and violence—and is dedicated to achieving our national goals within the framework of our democratic institutions.

The urban crisis will be resolved at the neighborhood level. But the stimulus must come from the Nation's Capital. The Presidency is potentially our most effective source of action in a national emergency. However, the President should be able to cut through the time-consuming and rigid guidelines and procedures—now so often required before Federal help can be given. And Congress should provide him with this authority.

The bill (S. 2258) to establish an emergency fund to be available to the President to assist locally initiated and neighborhood-oriented programs to improve the quality of urban life and to lessen the incidence of urban disorders and violence, introduced by Mr. RIBICOFF (for himself and Mr. PERCY), was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

S. 2258

*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 "Neighborhood Emergency Fund Act of 1967".

POLICY DECLARATION

SEC. 2. The Congress finds that the overwhelming majority of Americans are strongly opposed to civil disorder and violence, are dedicated to the conviction that progress toward the achievement of national goals be made within the framework of democratic processes and are willing to undertake constructive action at the local and neighborhood level.

To this end, and to provide a greater flexibility in the national effort to prevent and combat disorders in urban areas, the Congress determines that local initiative and neighborhood responsibility should form the basis for an emergency effort to focus governmental and private resources on the creation of (1) increased employment opportunities, (2) adequate housing, and (3) improved law enforcement and related community services.

COMMUNITY GRANTS

SEC. 3. (a) In furtherance of the policy set forth above, the President is authorized to make grants to qualified applicants to carry out in urban areas locally initiated and neighborhood-oriented programs to—

(1) increase employment opportunities;

(2) provide improved housing for lower income families; and

(3) improve law enforcement and related community services.

(b) In approving a program for assistance under this Act, the President shall consider whether—

(1) in the implementation of the program, there will be the fullest possible utilization of private initiative and enterprise;

(2) local resources will, to the extent available and practicable, be utilized in carrying out this program;

(3) maximum coordination exists between the program and other activities or projects undertaken or to be undertaken by the locality; and

(4) the program will be promptly implemented, and can reasonably be expected to make a substantial contribution to the objectives sought to be achieved.

(c) Grants under this section shall be made on such terms and conditions, consistent with the provisions of this Act, as the President may prescribe.

(d) In making any grant under this section, the President may require such reports and fiscal controls as he deems necessary to assure the proper disbursement of and accounting for Federal funds.

(e) For the purpose of this section, a "qualified applicant" may be a State, municipality or other political subdivision of a State, a duly authorized agency or instrumentality of a State, municipality or other political subdivision of a State, or a nonprofit organization determined by the President to be qualified to carry out an approved program.

NEIGHBORHOOD EMERGENCY FUND

SEC. 3. There is hereby established in the Treasury of the United States a Neighborhood Emergency Fund. To provide capital for such fund, the President is authorized to allocate to such fund not to exceed 2 per centum of any unobligated funds, appropriated for the fiscal year ending June 30, 1968, which are determined by the Director of the Bureau of the Budget to be available to carry out Federal programs which are not directly and primarily related to the national defense. Sums so allocated to such fund shall be available to the President to carry out the purposes of this Act.

REPORTS

SEC. 4. The President shall make semiannual reports to the Congress on the administration of this Act.

TERMINATION

SEC. 5. The authority conferred by this Act shall terminate on December 31, 1968, but such termination shall not affect the disbursement of funds under, or the carrying out of, any contract or commitment entered into prior to the date of such termination, or the taking of any action necessary to preserve or protect the interests of the United States in any amounts paid out under the provisions of this Act.

Mr. RIBICOFF. Mr. President, the measure we introduce today builds on the concept proposed in the Senate last week by the distinguished Senator from Kentucky [Mr. MORTON]. The bill would free $1 billion of Federal nondefense spending to create an emergency fund for more jobs, better housing, and improved law enforcement in American cities and is designed to give the President the ability to act quickly and with flexibility in response to local initiatives.

The bill—called the Neighborhood Emergency Fund Act of 1967—would require no new appropriations or additional spending.

It would authorize the President to transfer up to 2 percent of nondefense moneys from the current budget into a neighborhood emergency fund.

The bill specifies that the President should use the fund for "community grants" to States, communities, and nonprofit organizations.

The grants—allocated directly from the White House—would go to locally initiated and locally directed efforts to ease urban tensions and promote orderly community progress.

Under the legislation, a mayor, for example, could apply directly to the White House for financial aid in carrying out a community plan to resolve a problem requiring immediate action.

First consideration would be given to proposals that showed a full effort to mobilize the community's available resources.

These available resources would include private industry and capital, civic groups, and existing Federal, State, and local government programs.

Mr. President, when the distinguished Senator from Illinois spoke to me last week about a bipartisan approach to the problems plaguing our cities today, I re-

acted with great enthusiasm. I told him I was deeply impressed with the colloquy that I had last week on the floor with the distinguished Senator from Kentucky [Mr. MORTON] and by the proposal of the Senator from Kentucky, and that I thought we could go on from there to develop a constructive program.

The time has definitely come for action. Yet, in all candor, we recognize the budgetary problems that prevail in this Nation. We would be less than realistic not to recognize the attitude of Congress toward new and additional appropriations. We have all had much experience in government. There is no question in my mind that it would not be too difficult for the President to take 2 percent from current nondefense spending and allocate it for matters that have the most urgent priority in the cities of America, such as the problems of jobs, housing, and law enforcement. We have in this bill an opportunity for the Congress and the executive branch to act quickly, and not to wait for the results of additional and further study.

We look forward to the results of the Kerner Commission, but that Commission will not report until next March. Its proposals will probably require legislative action and additional time.

We must recognize that large amounts of money alone will not solve the problem. To do the job really well will take a decade of hard work, but there are certain programs in certain areas where we can move and move in fast.

The Senator from Illinois and I believe this bill sets out a rational and responsible way for the Congress and the executive to move rapidly in facing the emergency in America at the present time.

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

Mr. RIBICOFF. I yield to the Senator from Illinois.

Mr. PERCY. Mr. President, I am very pleased to join with the distinguished Senator from Connecticut in the sponsorship of the Neighborhood Emergency Fund Act of 1967. I believe that the distinguished Senator from Connecticut is uniquely qualified, with his distinguished background as a Governor, Cabinet officer, and now as a Senator, to have thought through some of the problems we face in our cities.

We have both been inspired by the imaginative concept advanced last week by the distinguished Senator from Kentucky [Mr. MORTON], and our bill is a means of trying to implement the urgency he expressed in his message.

By joining together we also are symbolizing that it is our deep feeling and conviction that there is no place for partisanship in the solution of some problems we face in this country; that we can work together cooperatively on both sides of the aisle; and that there can be cooperation between the legislative branch and the executive branch of Government to move swiftly and respond to needs we recognize must be met.

It is important that the legislative body take the initiative when we have these situations. In this bill, we have tried to recognize the importance of placing the responsibility in local initiative. The President would be authorized to support programs initiated in the community and programs initiated in the neighborhoods. Far too frequently in government, we find program imposed from Washington upon people in a community when they have not been a part of the process of deliberation and a part of the process of decisionmaking, and where there is found deep resentment on the part of the people in a community with respect to programs in which they have not participated at the time they were announced. That is why we have placed the emphasis on local initiative.

I am not at all of the frame of mind to feel that every time we have a problem we should appropriate another billion dollars and feel that we have solved the problem. I do not think it would be responsible, in light of the President's message with respect to a $28 billion deficit, for us to seek new funds, but I do think it is in the essence of responsibility and responsiveness to a situation that we give the President authority to adjust priorities.

In the last month the order of magnitude of priorities in this country has changed. We recognize first things must be done first. We have urgent urban needs that are now being met. It is for this reason that we wish this authority to go to the President, although we requested that reports be made twice a year to the Congress, and there is a limitation of authority, in that the authority would end on December 31, 1968.

I think it is up to the Congress to determine, demonstrate, and prove that we can respond affirmatively when there is a need. The Senate has responded with great dispatch in times past and in times of national emergency. We have such an emergency now.

When we see that the President has available $1 million in contingency funds and $6 million in unobligated disaster relief funds, these funds are not adequate to deal with the present situation.

By no means do we wish to imply that we want to reward rioters. We state unequivocally that these criminal acts of looting, arson, and murder must be dealt with effectively by law. We wish to provide a part of these funds to strengthen law enforcement in the communities.

There have been tens of thousands of innocent people victimized by the acts of the past week. There have been great disruptions in large urban areas in this country. It is to deal with this critical situation and in that particular spirit that we introduce this legislation.

Mr. President, I commend the Senator from Connecticut for the inspiration he has provided to us and I am proud to join him in this connection.

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

Mr. RIBICOFF. I yield.

Mr. MORTON. Mr. President, I wish to say to the distinguished Senator from Connecticut and the distinguished Senator from Illinois that I appreciate their kind references to my humble efforts in trying to come forward with some idea and some program to meet the immediate problem we face. I believe we must remember that there are several weeks of summer remaining and that next summer will be here all too soon.

There is a three-stage solution to this problem. First, as has been pointed out, we must have law and order. We are a country of laws. We are a system of laws. We must have law and order.

Then comes a short-range solution which the Senator from Connecticut and the Senator from Illinois suggested in their proposal. I introduced a bill last week which varies slightly. I proposed 10 percent of those funds that had been allocated for urban problems. This proposal is for 2 percent of all nondefense funds. I have no pride of authoriship and I can support this proposal. It may be a more logical approach for, indeed, there might be differences as to what are urban-oriented funds. That is the second step.

Then, there are the long-rang solutions to the basic problems that have caused this crisis that we face in our country.

I was glad to hear the Senator from Connecticut and the Senator from Illinois comment in the Chamber that this had to be done with minimum of restriction, and with a minimum of rules because it had to be done speedily. If we wait for a program to go through all the layers of bureaucracy in subcommittees and committees of both Houses of Congress, and get action, and then, finally send legislation to the President for his signature, I am afraid that it will be too late.

I would trust that a bill such as the proposal which has just been introduced, or the one which I introduced, or some other approach would go to the President quickly to provide for the funds which he can use in working with the mayors of our cities, the chief administrative officers of our counties, and in certain instances the Governors of our States, so that those who are potential leaders in these disorders can be drawn in and made a part of society by getting jobs. Perhaps they may be given white hats, as were given in Tampa, Fla., or Sam Brown belts.

In Louisville, Ky., where we all see that we need more firemen, bring them in and pay them, but not at the expense of the fire department's budget. Place two of these young men who are leaders in their communities in each firehouse. Let them take the night-shift turn, sleep and live there.

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

Mr. RIBICOFF. Mr. President, I ask unanimous consent to proceed for 5 additional minutes.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for 5 additional minutes.

Mr. MORTON. Then, if trouble should break out in my hometown, I am sure that they could go into their communities and help stop such things as developed in so many of our cities in the past 5 or 6 weeks. They are a part of society. I would not give them an FBI test. I would not say they must take some sort of security test before they can become a part of this program. Indeed, that young adult or that late teenager who could do more to stop this thing probably has been in a reform school or has been indicted

and convicted of some offense—even stealing an automobile.

That is the man we have got to get to, and get to quickly, in order to put out the fire. The only way we can do it is by means of the plan such as the Senator from Connecticut has proposed—and I commend him for it—and the one I have proposed. We are all seeking the same objective. As I have said, I have no pride of authorship. But, we can act quickly and by joint resolution.

As a Republican, why am I suggesting that we give the President this fund? Because that is the only place we can do it and get it administered. Some of it may be misspent in certain cities, yes; but there are some 80 cities which have been involved in this difficulty. There are scores of cities that are still not involved which potentially might be. This, I regard, as the second step, the fire brigade—if you will—to prevent this from happening.

First should be law enforcement when it happens. Second should be a quick program to prevent it happening. Third should be the long-range solutions.

The distinguished Senator from Connecticut has had great experience in this area as a Member of the House, as a Governor of Connecticut, and also as Secretary of Health, Education, and Welfare which deals with many of these problems. He has said that some of these things will take 10 years to accomplish. I am afraid they may take longer than that. We have had public housing on the books for, I suppose, some 20 years or more; and yet we have not really begun to solve the housing problem. Thus, we have a long-range problem ahead of us, but in this way, in the conception the Senator has proposed, we can get the second stage going, and going quickly, although I expect he would be criticized for his proposal, and I for mine—why are we going to take that money away from the Headstart program? I was not too enthusiastic about that program at its inception, but I think it has turned out to be a very good program on the whole. Congress has plenty of time to sit in Washington and look at the programs and replenish them with funds if money is taken away from them for this purpose. Congress can reappraise and reexamine the efficacy of the many programs that we now have working in this area. In my opinion, we have far too many. It would have that extra desirable effect, I believe.

I commend the distinguished Senator from Connecticut and his associate, the Senator from Illinois [Mr. PERCY] in this effort, and I assure them both that I will do all I can—although I am not on any committee concerned with this problem—but I will certainly do all that I can to expedite the matter during the coming days.

Mr. RIBICOFF. I thank the Senator from Kentucky and the Senator from Illinois for their contributions.

I do not think it would be difficult to find 2 percent of "water" in the budget of the Federal Government. I do not believe that a 2-percent deduction basically in our domestic spending would cripple any program now on the books.

May I say, too, concerning the comments of the Senator from Kentucky, that we have been talking in America for more than 4 years about "hot summers."

I am not so sure, as I read the events of this past year, in their tragic overtones, that we are not entering into a period which will go beyond just the summer.

I believe it will be a great mistake if we in this country—the people, Congress, the executive branch—were to wait for Labor Day to come around and figure that we would not have any more problems until the next Fourth of July. Such a notion would render a great disservice to our Nation.

We are in the midst of a revolutionary crisis. We should recognize the symptoms and the signs.

There is no question that rebuilding the cities of America will be the job of a generation—a job which will cost about $1,300,000,000,000.

To rebuild the slums of America will take 10 years no matter how efficient we are. There are 4.5 million substandard housing units scattered in urban areas throughout this country. It will take $50 billion to eliminate the slums and rebuild decent housing. It would be foolhardy to state on the floor of the Senate that we can appropriate the money and do it this year, next year, or the year after. But, there should be a national commitment by the people of this country, through the Government of this Nation, that we intend to rebuild the slums of America, and then private enterprise, our communities, and our people can start planning.

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

Mr. RIBICOFF. Mr. President, I ask unanimous consent to proceed for 5 additional minutes.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for 5 additional minutes.

Mr. RIBICOFF. Mr. President, the Subcommittee on Executive Reorganization conducted hearings for 1 year on the Federal role in urban affairs. We took over 4,000 pages of testimony from 110 witnesses who came from all sectors of American life—sociologists, psychologists, financiers, businessmen, professional men, psychiatrists, labor leaders, and civil rights leaders.

It soon became obvious that there were certain basic pressure points in our society and that is where the leverage had to be applied. It also became clear that we have not yet taken a systematic approach to the problem of our cities. We were trying to handle each problem on a programmatic basis. We have accumulated program after program.

The mayor of the city of Oakland, Calif., came in with his director of redevelopment. They stated that they had taken inventory in Oakland and had 140 separate and distinct Federal programs—not including welfare programs—on which they were trying to get guidance and trying to make work. It does not work. There is too much paper work involved, too much bureaucracy, and too much inertia when we try to make the Government work with such a large mass of programs.

We have come to a crisis situation. We have to apply leverage where it counts the most.

The legislation we are introducing today points out the three key leverage points where we believe pressure must be brought.

The field of law enforcement is sine qua non for any society. Above everything else, we must have law and order if the democratic process is going to work to its complete fruition.

Second was the element of jobs. We found above all else that jobs were necessary. One does not have to be an expert. In reading the newspapers and watching television, one sees that the greater number of rioters are youths in the age group between 16 and 21. These are youngsters without a job. They have nothing else to do but hang around street corners. They become the local heroes by throwing the rock or lighting the torch. We now know that 25 percent of the Negro youths in our cities are unemployed. One out of four waits around with nothing to do. The situation becomes a tinderbox. All it needs is an incident, or a Rap Brown or a Stokely Carmichael to light the fuse, and it all goes up in smoke and tragedy.

Our bill establishes a $1 billion fund. I have read estimates that the damage in Detroit alone was $1 billion. A few days, and a billion dollars worth of damage to property and assets is done in one city alone in America. In Newark there was damage of $300 million to $400 million. Cities across the Nation, small and large, have experienced the troubles. They are with us. They are not going away.

In introducing this legislation we are saying that recognizing the problem that Government does not have enough money—and Government does not; we do not have a bottomless purse—then it is our duty, as responsible legislators, to mark the priorities that society must address itself to. If we do not have funds adequate to meet all our needs, then priority must be given to the basic and most serious needs.

Who in America can say today that the most serious domestic problem facing us is not the crises in the cities of America?

In the legislation which has been proposed by the Senator from Kentucky, and in the bill introduced by the Senator from Illinois and myself, we are saying to the President, "You are responsible for the appropriations we have voted you and your department heads. Examine all those and determine where the 2 percent should come from." Some departments may find they can afford 5 percent; other departments not a penny, because of basic needs. But in a budget of $55 billion in the domestic field, I am sure we can find $1.1 billion that can be transferred and used immediately—not next month or next summer, but now—to help solve the crisis that sweeps across our Nation.

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

Mr. RIBICOFF. I yield.

Mr. MORTON. And there is precedent for this, for, indeed, in the foreign aid bill—whatever it was called 15 years ago—we always wrote into that bill what

we call transferability. We appropriated title by title. One might deal with southern Asia. One might deal with the continent of Africa. One might deal with this hemisphere. But we wrote in transferability. We gave the President, whoever the President might be, the power to transfer 10 percent out of one title to any other title or to any purpose which he felt, in the national interest, would be served by transfering those funds. He did not have to come back to Congress. He had that power. So we do have precedent for legislation of the kind which the Senator has introduced today. I merely wanted to point that out.

Mr. RIBICOFF. I thank the Senator for his comment. May I point out that in 1962—and the distinguished Senator from Kentucky was in this body then—we gave authority to the President to overcome a substantial unemployment situation through an accelerated public works program. There is precedent in the foreign aid program bills and an analogous action in our own domestic legislation. But even if there were not, these are times that cry out for different solutions and different approaches.

I would hope the executive branch would give careful consideration to these proposals. I think we have to recognize that ideas do not come from only one end of Pennsylvania Avenue. There are, indeed, two ends of Pennsylvania Avenue, the White House and Capitol Hill.

I have the highest respect for the men and women who are in both bodies of Congress. They have ideas, and their ideas should be considered.

But we in the Congress are often at fault. I have been amazed, both as a member of the Cabinet and as a Member of Congress, to see our obeisance to the executive branch. Constantly we cry, "What does the President think about it?" or "What does the White House think about it?" or, "What does this agency or that agency think about it? What does the Budget Bureau want?"

I do not think the way to solve problems is always to ask what the President wants. I think the time has come to ask what Congress wants.

All of us have been voted here by the people of our States. We have been voted here and have come to Washington not only to reflect the President's ideas, but to have ideas of our own. If we think those ideas have merit and value, it is our duty and our obligation to fight for them in committee and through the amendment process on the floor of this body. It is only when Congress will recognize its capacity and its obligation, and not merely ask the question as to what the President wants, that it will fulfill its responsible function under the Constitution of our great Nation.

Mr. President, I yield the floor.

## PRIVILEGE OF FLOOR TO COMMITTEE STAFF MEMBERS DURING CONSIDERATION OF EXPORT-IMPORT BANK ACT AMENDMENTS OF 1967

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that during the consideration of S. 1155, the Export-Import Bank Act Amendments of 1967, the chairman of the Committee on Banking and Currency may designate certain members of the staff of that committee to be given the privilege of the floor.

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

## ADDRESS OF SENATOR BYRD OF WEST VIRGINIA AT ANNUAL GOVERNOR'S DAY REVIEW

Mr. BYRD of West Virginia. Mr. President, last Saturday I addressed the West Virginia National Guard at the annual Governor's Day Review at Camp Pickett, Va. I ask unanimous consent that my remarks at that time be included in the RECORD.

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

REMARKS BY U.S. SENATOR ROBERT C. BYRD AT THE ANNUAL GOVERNOR'S DAY REVIEW, CAMP PICKETT, VA., AUGUST 5, 1967

I am extremely grateful to have the opportunity to appear here this morning and to actively participate in your traditional Governor's Day Review.

Today, when our country is in a time of greater testing than ever before, it is imperative that the caliber of our forces, both active and reserve, be the best available. I am proud to see before me the tremendous capability you possess. In doing so, I cannot help but swell with additional pride in our state. Those of you in the 150th Armored Cavalry, the 3664th Ordnance Company and the 249th Army Band have brought great credit to West Virginia through your military excellence.

I am not mindful that the 2d Battalion, 174th Artillery of the Ohio National Guard is also on the field today, and I am confident that your Senators are impressed with you as much as I am with the West Virginia National Guard.

Being on the Armed Services Committee of the United States Senate, I know firsthand just how important the National Guard is in our defense plans. I am equally cognizant of the invaluable role played by the National Guard in the many military conflicts in which our nation has taken part. Only a cursory examination of military history is required to attest that the National Guard has truly been our first line of defense. However, the 1960's have seen a departure from the traditional use of the National Guard.

Just six years ago, a serious confrontation occurred between our President and the leader of the USSR affecting the freedom of East Berlin, Germany. This confrontation placed the world-wide prestige of the United States in jeopardy. President Kennedy acted swiftly and surely in calling the bluff. Actions he took left no doubt in our adversary's mind that our nation not only had the capability to cope with the consequences of his threat but we also had the resolve to use it. These were and remain our trump cards . . . the military capability and the national resolve to use it. Many of you vividly remember the Berlin crisis about which I speak . . . because you were a vital part of it. The 150th armored Cavalry and the 3664th Ordnance Company were called into federal service for over 10 months and, along with other units involved in the call-up, amply and ably demonstrated that our position on East Berlin was no bluff. Those of you who served during that period are to be strongly commended for the performance you rendered and the sacrifices you made in doing so. Your country is indeed indebted to you for this.

The role of the National Guard in the Berlin crisis was the first departure from traditional employment. The activation was not to fight a war . . . the activation was to prevent a war. The National Guard become an instrument of foreign policy, and the confrontation was settled without a bullet being fired or a bomb being dropped on a battlefield. This was a most successful change from your historical combat employment as our nation's first line of defense.

So, I wish today to pay tribute to a man who has been much in the news over the past weeks of turmoil and trial in our cities.

This man is the American citizen-soldier of the Army and the Air National Guard. For over 300 years he has fought in the forefront of this nations' wars; over these three centuries he has mustered wherever and whenever life and property have been threatened by fire, flood, or civil disorder.

Of all his duties and responsibilities, this last is the most onerous, the most demanding, and the most thankless. It is performed in the atmosphere of unrestrained violence, provocation, and physical danger. The terror is compounded by the mass of the innocent trapped and exploited by the relatively few criminal perpetrators of the violence.

In these most trying of circumstances the Guardsman must serve under the direct and critical eye of his fellow citizens who are sometimes prone to magnify disaster and to blame.

This has been the story in Newark and in Detroit. Much has been said and written of the Guardsman's service in these two stricken cities. Little of this commentary has attempted to put it into the perspective of the performance of a relatively few citizen-soldiers called late into a situation already out of control.

Much of the reporting—after the fact—has dwelt on the citizen-soldier's errors of omission and commission; none that I have seen has ventured into what would have been the result had the Guardsman not been there to oppose violence running amok in the streets.

It is my opinion—after the fact—that the Guard performed in the highest tradition of the citizen-soldier—he did his best with what he had in the situation into which he was ordered. If he needs more training to meet a new type of civil disorder, it is the responsibility of the active services to provide him with the time and resources to accomplish it.

I reject a report that his performance has been "appalling." His performance even under conditions of too little and too late, has been heartening to me as an American.

In speaking of Guardsmen, my thoughts turn naturally to those of my own state. The citizen-soldier of West Virginia have not been called upon to face riot and disorder in the streets. I hope and pray that they do not have occasion to do so. But I have no fear that they would face it with courage, the fortitude and devotion to duty that constitute the heritage of the military service of our state.

In West Virginia's Army Guard we are authorized approximately 3,500 officers and men—a small number in comparison with the responsibility that they carry. But this small number also carries battle honors that date back to the Revolution; they carry the pride of their forefathers who set out from Shepherdstown in Berkeley County, West Virginia, on July 17, 1775, for Boston, six hundred miles away. Twenty-six days later, on August 11, they arrived at the scene of action. General Washington shook the hand of every man, remarking, "Leave me but a banner to plant in West Augusta (now West Virginia) and I will rally around me the men who will lift our bleeding country from the dust and set her free."

To the officers and men of the 1092nd Engineer Battalion of the Selected Reserve

Force, the 150th Armored Cavalry Regiment, the 201 Field Artillery, the 19th Special Forces Group, the 3664th Ordnance Company, and the 249 Band of the West Virginia Army National Guard, I express my pride, my appreciation and trust in their ability and devotion to duty

While the nature of present events has focused attention on the role of the Army Guardsman, the Air Guardsman continues a performance that may be routine in regularity, but which is spectacular in range and importance.

For West Virginia, the Air Guard is the 167th Military Airlift Group, and the 130th Air Commando Group with their supporting units. The total strength is 1,793. These few officers and men airlift tons of important military cargo to our bases around the world, they train in the highly technical skills of the Air Commando in the jungles of Central America as well as in the mountains of our state. They represent global air power that is nonetheless at the call of the Governor of our state for protection of the life and property of our citizens.

In parting, let me say this day is occasioned with sadness. The 105th Armored Cavalry can trace its history to 1778 when the Greenbrier Long Rifles were formed. Thereafter, it became the 2d Virginia Regiment . . . then in 1863, the 2d Division, West Virginia Militia . . . in 1898, the 1st Regiment . . . in 1917, the 150th Infantry Regiment . . . and its present designation in the 1950's. Thus, it can count 189 years of regimental service to our country. In its history are many deeds of valor . . . unit and individual heroism . . . and unquestioned faithful, dedicated and professional service to our state and our nation . . . It is one of our country's oldest units and is steeped in tradition. Soon, it may be no more. Reserve component reorganization is a certainty and current plans may not call for the survival of this glorious unit. We may all question change, but change there must be! There is no magic in the status quo, and, as new technology unfolds, military reorganization is a necessity. Military units have to be adjusted to the times because time does not stop in favor of the status quo. Changes end traditions, but new traditions can be developed. However distasteful the loss of the 150th Armored Cavalry may be, I have no doubt that your same pride and dedication will inure to the benefit of your new units so that if technology again dictates their elimination, you will again feel the same type of personal loss. Truly, you have done yourselves proud and you have earned the respect and admiration of those who have been associated with you. Your personal motivation to keep West Virginia's military tradition as outstanding as it has always been will assure continued progress for the West Virginia National Guard. No one could expect you to do more; I am highly confident that you will not be satisfied with less.

In the silence that surrounds the achievements of the Guardsman—both Army and Air—I am proud to raise a voice in his praise. He is an American who stands on his own feet—a man I am prone to admire. To the extent that Americans depend upon the Guardsman for the safety of their families and their property, to that extent we should support him, morally and physically. I urge that we do so.

Mr. BYRD of West Virginia. 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.

## ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the distinguished Senator from Minnesota [Mr. McCARTHY] be recognized for not to exceed 15 minutes.

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

Mr. MANSFIELD. And that at the conclusion of his remarks, the distinguished Senator from Maine [Mr. MUSKIE] may be recognized and obtain the floor.

The PRESIDING OFFICER. Without objection, it is so ordered. The Chair recognizes the Senator from Minnesota.

## THE 1967 RIOTS—THEIR CAUSES AND CURE

Mr. McCARTHY. Mr. President, in this summer of 1967, we have witnessed unprecedented violence and cruelty in cities across the country.

The destruction and chaos of riot-torn cities come as a shock to those who through the years had looked away from the scandal of poverty in this land of affluence, who had ignored frustration in a land of achievement, and who had refused to acknowledge that there might be despair in a land of promise and hope.

This is, as Dickens said of another time, "the best of times," and "the worst of times"; it is "the age of wisdom"; it is "the age of foolishness"; it is "the epoch of belief"; it is "the epoch of incredulity"; it is "the season of light"; it is "the season of darkness"; it is "the spring of hope"; it is "the winter of despair"; we have "everything before us"; we have "nothing before us."

Both the widespread incidence and the intensity of violence this summer demonstrate that this is a special kind of insurrection and these are a special kind of demonstrations by the poor and the exploited—those who have been denied their part in the American dream.

Most of the persons involved in the riots have been Negroes who suffer not only from the degradation of institutionalized poverty but also from the humiliation and frustration of discrimination and segregation. It is a mistake, however, to regard the riots as being racial disorders, and to ignore the bitter truth that many people in the United States live each day on the edge of despair.

We are suffering through days of shock and disbelief. These days are marked by a false hope that the riots just happened and that they will go away with a change of weather, or that further riots will be prevented if some persons or organizations can be held immediately accountable.

We are now in the period of angry challenges, charges, and countercharges. These charges have gone almost full circle. Executive officials and mayors have blamed the Congress. Members of Congress blame Federal officials and the mayors. Liberals blame conservatives, and conservatives blame liberals. The search is on for a scapegoat; for a conspiracy to be outlawed by a congressional report or resolution.

We have now reached a point where we are blaming those who have blamed others. It is a kind of erasing process.

The response to this insurrection by the Congress, by Federal, State and local governments, and by business, labor, civic and religious leaders must be wholly honest. We must reflect on the causes of this national crisis and on the measure of commitment necessary to alleviate and eventually to eradicate its causes.

The alienation and isolation of the poor today is not the work of a brutal few but of the indifference of many. Everyone has some share in the guilt—all who have exploited the poor, all who have stood aside or looked the other way, all who have responded in anger or cynicism.

No society can stand lawlessness, and every government is committed to maintaining the public order. We do need careful and thorough study of the immediate causes and patterns of the riots. We need to know about the means used to prevent or contain rioting and also about means which were not used. We need to establish better procedures for coordinating Federal, State, and local efforts so as to prevent or at least reduce the violence of riots in the future.

Our attention, however, must not be confined to procedures alone or to the statistics of deaths, injuries, and property loss or to the often trivial incidents which erupted into violence. The Congress and the Nation must concentrate their attention on the more difficult questions, on the whole range of problems and injustices which are the basic source of violence.

Riots may be inspired by leaders who view themselves as patriots or by self-seeking men stirring up the people for unscrupulous purposes. But it is clear from history that the leaders—regardless of their personal motives—do not receive a hearing unless there are large numbers of citizens who are frustrated and aggrieved, who have long been oppressed or deprived of decent jobs, homes, and food; people who have been subject not only to serious injustice but also to needless and daily irritations in minor matters; and finally, people who have lost hope in the traditional and ordinary legal means of securing improvement in the conditions of life or work.

The poor, of whatever color, are themselves a minority in the United States today. The indifference of an insensitive majority heightens the frustration of the minority poor. Even the discovery of poverty in recent years by civil rights leaders, Government officials, and reform groups has contributed a measure of false hope.

The historical record shows riots for trivial or foolish reasons and riots for the highest purposes of justice and liberty. There have been riots by racial and nationality groups, by rural peasants and urban workers, by students, by religious minorities and against religious minorities. There have been riots in prisons and out. There have been riots under the most despotic and tyrannical governments, despite the penalty of death and reprisal on families, and riots in free democratic societies.

Americans have rioted for causes worthy and unworthy, as Samuel Morison points out in "The Oxford History of the American People." There were pro-

tests against the Stamp Act in nearly every American colony, and Morison describes the events in New York as follows:

On the very day (1 November 1765) that the Stamp Act came into operation, a howling New York mob led by a shipmaster, Isaac Sears, forced Lieutenant Governor Colden to take refuge on board a British Warship. It then attacked the fort at the Battery, broke into the governor's coach house, destroyed his carriages, and forced the officer in charge of the stamped paper to burn it. The rabble then marched up Broadway to a country estate on the Hudson (between the present Chambers and Warren streets), then occupied by an officer of the garrison, who had threatend "to cram the Stamp Act down the people's throats." They gutted his house, destroyed furniture, books and china, drank up the liquor, uprooted the garden, and departed carrying the regimental colors as a trophy (p. 186).

The War of 1812 was very unpopular in some quarters, especially with the federalists, Morison wrote:

Although New England was the most solid section against the war, merchant-shipowners everywhere disliked it. At Baltimore the plant of a Federalist newspaper which came out for peace was demolished by a mob. The friends of Alexander C. Hanson, the editor, lodged for safety in the city jail, were dragged out of it by a waterfront mob led by a Frenchman, and beaten to a pulp. Hanson and General Henry Lee were badly injured, and General J. M. Lingan was killed. Federalists throughout the country shuddered over this episode, recalling as it did the cowardly massacres of prisoners in the French Revolution; and it turned Maryland Federalist for the duration (p. 383).

The violence against the abolitionists in the period before the Civil War was extreme:

Elijab Lovejoy, who persisted in printing an abolitionist paper at Alton, Illinois, had his press twice thrown into the river, and he was murdered by a mob in 1837. Philadelphia abolitionists held a protest meeting in Pennsylvania Hall, which they and their reformer friends had just built; but a mob burned it down. All that summer there were outbursts of mob violence against Negroes in the City of Brotherly Love; in 1842 a particularly bad one, when many homes of colored residents were burned. Philadelphia was far from unique in violence (p. 518).

There have been riots against religious groups, such as the Mormons, and frequently between religious groups, as in Philadelphia in 1844.

In the spring municipal election of 1844, "American Republican" voters were assaulted and driven from the polls in Irish Catholic districts. This and other incidents aroused the "Americans" who around 1 May provocatively held mass meetings in the heart of Kensington, the principal Irish district. They were driven out with clubs, stones and shots, one of which killed a Protestant boy. The "Americans" rallied, advanced armed into Kensington, and burned down about thirty houses, together with St. Michael's and St. Augustine's churches. Some 200 Irish families were rendered homeless, militia had to be called out to restore order, and rioting again flared when the "Americans" staged an anti-Catholic parade. A third Catholic church was then attacked, and bluejackets from the U.S.S. *Princeton* helped the militia to defend the church and disperse the rioters. Order finally was restored, but casualties in the two sets of riots amounted to 30 killed and 150 wounded (p. 482).

Over the last century there have been numerous riots involving labor, organized and unorganized, and against laborers of a particular nationality such as those against Chinese and Japanese immigrants:

The year 1877 was very rough. When the four Eastern trunk lines (the through railroads) jauntily announced a wage cut of 10 percent, second since the panic of 1873, the unorganized railroad employees struck and were supported by a huge army of hungry and desperate unemployed. During one week in July, traffic was suspended on the trunk lines, and every industrial center was in a turmoil. In Pittsburgh, Martinsburg, and Chicago there were pitched battles between militia and the mob; order had to be restored by federal troops. Unfortunately the reported presence of German and French socialists led the public to the easy conclusion that imported agitators were alone responsible. (Compare the South's conviction that abolitionists and outsiders have been responsible for Negro unrest.) Few Americans realized that their country had reached a stage of industrial development which created a labor problem, or that the "Great Strike of "77" would the first of a long series of battles between labor and capital (p. 769).

Major conflicts over the right to organize and the rights of labor arose in the 1930's:

Others, notably General Motors and Republic Steel, challenged the legality of the sit-down and called upon the courts to rescue their property. The courts responded with injunctions, and when workers resisted the court orders, things erupted. The intervention of Governor Murphy of Michigan prevented widespread violence in the automobile industries of that state, but in June 1937 there was open warfare in South Chicago where police, defending the property of Republic Steel, killed ten people (p. 979).

And there have been racial riots. Morison records those during and at the end of World War I:

Another source of trouble, which the peddlers of hate whipped up, was the northward move of many Southern Negroes to work in war industries and better their conditions. This, as usual, was resented by white workers, especially recent immigrants, and led to bloody riots. In one at East St. Louis, Illinois, in 1917 forty-seven people, mostly Negroes, were killed and hundreds wounded. In July of 1919, the month that President Wilson returned from Paris and submitted the Treaty to the Senate, there occurred in the capital city the most serious race riots in its history between whites and Negroes, not quelled until thousands of troops had been brought in to help the police, and six people killed. In the same month there was a three-day riot in Chicago in which thirty-six people were killed. There were also major racial disorders that year in New York and Omaha, at least seven in the South, mostly occasioned by Negro veterans of the war having the "impudence" to demand their rights as citizens (p. 885).

Every riot is a protest against real or assumed mistreatment or injustice.

When riots occur in the scope and depth of some of these occurring in the United States, we must go behind the immediate incidents and causes and ask what were the basic reasons and issues which caused a group to participate in, or at least acquiesce in, violence of this kind. We must seek out the source of the bitterness, of the deep resentment that causes people to move so quickly from protest to violence.

Beyond the details and incidents of the riots, beyond the agitators, lie problems of housing, education, unemployment, lack of recreational opportunities, and the many other depressing conditions of life in the urban slums of America. To these have been added the limitations and restrictions which have been imposed on racial minorities—particularly upon the Negro in the United States.

According to a consensus of psychiatrists and psychologists who have studied the problem, including Dr. John P. Spiegel, the psychiatrist who directs the Lemberg Center for the Study of Violence at Brandeis University, the psychological and social problems have been intensified in the last generation since more than 4 million Negroes migrated from the South into the North and West. Twenty-five years ago more than three-quarters of the Nation's Negroes lived in the South; only half live there today.

If the mass migration had come from outside the country it would have been considered a Federal problem and emergency measures would have been taken to smooth the problem or resettlement—

One psychiatrist said.

None were.

The Negroes who moved North discovered that they were confined to working at menial jobs and living in slums and that the promises of the North politicians were only made to "keep the Negro quiet"—

A psychologist said—or, so they thought.

The Negro has come to realize that the North and the South are not so different after all—they are equally humiliating.

Among other factors cited by the psychiatrists and psychologists as contributing to the mood of unrest were:

The tapping of a reservoir of hatred that had been suppressed for 200 years because it could not be expressed in the South, coupled with the attempt to settle old scores with the whites.

A loss of conscience and self-imposed controls because of mass hysteria.

The contagiousness of violence once it starts because of an attitude of "we want to be in on it too."

The accentuation of violence by television, films, newspapers and magazines, and particularly the impression this makes on children.

The disrespect of Negroes for law and order stemming from lynchings and slavery.

The lack of effective and impartial law enforcement in Negro neighborhoods and the tendency of the police to veer between harsh and lenient attitudes.

The exposure of the Negro, even more than the white, to the big city sickness; congested, polluted living conditions that dull the senses and made city dwellers less humane toward themselves and others.

The discovery of the falsehood of the big dream that the streets of northern cities are paved with gold.

The difficulty of the young Negro male in developing a feeling of self-esteem because he is the product of a matriarchial society.

Self-destructive or suicidal impulses

generated by the attitude of "what have we got to lose?"

Our response must be neither to retaliate in anger nor to support improvements as though they were a bribe to prevent further riots nor, as some have stated, as though to reward those who rioted.

We must be careful not to deceive ourselves or the poor. We must aim at steady improvement, since we cannot solve all the problems in 1 year or 5 years. It is not possible to provide decent housing for every citizen at once. It is not possible to provide model schools or model cities for everyone at once. It is not possible to take the educationally deprived and unskilled adults and in a single training program turn all of them into responsible workmen capable of holding skilled jobs. It is not possible to remove all the psychological and cultural barriers between those who discriminate and those who suffer from discrimination. It is neither fiscally or technologically possible to remake the slums of the inner cities overnight.

We must continue the great effort to put an end to legal segregation and discrimination both through court decisions and by the Civil Rights Acts of 1964 and 1965—the enforcement of it and the execution of it. The Federal Government must remain clearly on the side of equal rights for all citizens.

We must define and advance the new civil rights of America; not civil rights in the limited sense of the right to vote and protection of the courts, but basic rights which we now hold belong to every American.

Civil rights are not given to us by revelation. They do not arise from law, nor can they be identified and defined and carefully circumscribed for all times. They grow and change as society changes. As different forces come to bear upon the lives of people and upon their organizations—science and technology, new forms of communication and new forms of business organization, urbanization, the great increase in the mobility of our society—all of these have bearing upon civil rights, on what they mean and how they can be realized.

The right to work, not just to job equality but to job opportunity, is a civil right in America today. Every American has a right to say, "I have a right to a job and a decent income and need not be poor or unemployed." In 1946, the Full Employment Act, declaring it a policy for this country that every man who was willing and able to work should be given the opportunity to do so, was passed. This was not meant to be merely a right defined in the abstract and unrelated to reality, but a right which was to be made a reality—the reality of job opportunity.

In the period of the depression, economists talked about our economy having matured, about how we were going to have technological unemployment, that there were going to be too many people, too many workers in America. We realize now that we had not even approached the potential of our economy to produce goods and services to meet the needs of our people.

The old excuse, the old way of escape, is no longer open to us. We have seen now that our economy can provide work for all people and an adequate return to farmers, workers, businessmen, professional men, government employees, but we have moved beyond that to say that the nature of work itself must receive some attention. Man is not designed simply to work and produce, but he has a need and, therefore, a claim to working conditions which are suited to his human nature. He is intelligent; therefore, work should challenge his intelligence. He is morally responsible; therefore, he should have some control over the conditions and the nature of the work which he performs. Man is creative, and his work should challenge his creative talents and his creative ability.

An adequate program of public works should be advanced.

Education must be adjusted to meet the special problems arising from advanced technology and automation, in consequence of which the traditional gradual climb up the employment ladder has been interrupted largely by the elimination of the middle rungs. There remains room at the bottom and also at the top. The problem is to bridge the middle gap. We need not only "head-starts," "late starts," "better starts," but also new starts in this middle area.

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

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

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

Mr. McCARTHY. Mr. President, our tax laws should be changed so as to make wages for personal services deductible, thus giving status and prestige to such employment as well as a basis for better pay.

Apprentice programs sponsored by labor and industry must be liberalized and expanded.

Our basic education program must be improved and extended, for education has become a citizen's right in America: not just for elementary school students and high school students but across the board, seeking to provide the fullest possible intellectual development of the most talented people in our country, because we need all of their talents and all of their knowledge; of the average person also, and reaching out in an attempt to provide education to those who are least talented and most denied—the retarded and mentally ill in our society, for each of them has a civil right to develop to the fullest possibility, to the fullest potential of his personality. Education alone will not solve all problems.

If we begin new programs and expand some existing programs, we can achieve much in a relatively short time. This Nation was built in large part by unskilled and usually impoverished immigrants. There was usually a span of a generation or two between the new immigrants, working at the bottom of the ladder, and the achievement of position in the professions, business, and politics by their descendants.

This time schedule can be shortened. As Joseph Alsop suggested in his article in the New Republic, "No More Nonsense About Ghetto Education," education is the key to the whole problem. While we cannot reduce the problem to a simple formula—such as education leads to jobs; jobs lead to achievement; and achievement reduces discrimination—adequate education can be a significant factor in incorporating minorities into American society.

A good example of the possibilities of an adequate public education system comes from my own State of Minnesota.

Seventy-five miles north of Duluth lies a group of low hills, extending about 50 miles east and west, known as the Mesabi Range. Along the southern slopes of these hills 60 years ago there was clustered a group of villages in the heart of the greatest iron ore deposits in the United States. Between 1900 and 1915, these mining locations were transformed, internally at least, into cities. The two largest of these were Virginia and Hibbing. They had been villages of 2,000 or 3,000 in 1900, and by 1915 each had an estimated population of 15,000. They had experienced many of the social evils of the city which are still with us today: high unemployment, high cost of living, insufficient housing, and poverty.

One of the principal causes for the high unemployment was the large number of immigrants who lived on the range. In 1915, it was estimated that half of the residents of these mining towns came from Europe and that another 40 percent were the sons and daughters of immigrants. Of these, 35 percent were from Scandinavia, Germany, and Great Britain, and the remaining 65 percent from Russia, Italy, Austria, and the Balkan countries. The problems of incorporating their varied languages and cultures into an American way of life seemed insurmountable.

The school census for district No. 22 in Virginia, Minn., in 1917–18 is particularly revealing. The census listed 4,971 children of 29 different nationalities. There were over a hundred each of Slavonian, German, English, French, Irish, Italian, Austrian, Norwegian, Polish, Swedish, Finnish, and American backgrounds—and this was not unusual for the iron range at this time.

Fortunately the State had realized early that a most important factor in American life was education.

The act of Congress that authorized a Territorial government for Minnesota on March 3, 1849, among other things provided that when the lands in the territory should be surveyed sections 16 and 36, or one-sixth of each township, would be reserved for the purpose of schools in the State to follow.

At the Minnesota Constitutional Convention in 1857, it was finally decided that the school lands should be sold at public sale, the principal to be forever preserved inviolate and undiminished as a perpetual school fund of the State, and that the income arising from such fund should be distributed to the townships in proportion to the number of scholars between the ages of 5 and 21 years.

While at that time, the U.S. Government under its cash entry and preemption laws was selling the public domain at the fixed price of $1.25 per acre, Minnesota set the minimum at $7 per acre.

Later when iron ore was discovered around Duluth and then the Mesabi Range, all minerals on State lands were reserved for the exclusive use and benefit of the school and other trust funds to which the lands belonged. The Hill Iron Mine, one small section of school land, insured that the Minnesota school fund received more money than the combined funds that Michigan, Wisconsin, and Iowa received from the lands granted them by Congress. Thus in 1915, the Minnesota school fund amounted to $21,500,000 in actual interest bearing securities, with more than a million acres of school land still unsold.

I have taken the time to present the situation in the iron range in detail because I wanted to illustrate that while these towns had serious unemployment and immigration problems, with sufficient capital they were able to meet the challenge and established an extraordinary public school system. By 1919, Virginia had two high schools, one academic and the other vocational, and it also had plans for an $800,000 addition to the vacational school—all this in a mining town where over 90 percent of the population were foreign born or first-generation Americans. The schools not only held classes for the children in the day, they also conducted extensive adult education courses at night. Thus with sufficient funds and an imaginative program, the iron range area was able to create a completely homogeneous poulation within a generation.

The relevance of this example to the present situation in the cities should be clear.

Medical care, and a chance at good health, is a civil right. We need an expanded public health service.

Another civil right is the right to a house in a community. This involves both personal and social need, not just for a house but for a house in a community. The housing and community needs of the country are great. They can be satisfied only with massive and varied efforts and programs. There is no magic solution to our housing problem—not in sweat equities or rent subsidies or public housing or cooperative projects. All of these devices and means, as well as other forms, processes and programs, have relevance and must be perfected.

We must set some priorities, even though the Secretary of Defense recently was quoted as saying we are capable of fighting another war of the magnitude of the war in Vietnam. We can put off our pursuit of the supersonic transport and slow down our efforts to reach the moon if need be. It will not go away, and we now know what it is made of and what is there.

For the sake of urban transportation, we might divert materials and manpower now going into the interstate highway and other highway programs and, if need be, might even divert highway funds—now treated as the sacred money of the temple was treated in times past.

American citizens have a civil right to a wholesome environment, free from discrimination, free of physical poisons, offering reasonable safety and security of person, and at least a gesture of defense against ugliness. To achieve any or all of these, of course, requires a continuing intellectual commitment and judgment to develop programs.

Finally, the ultimate test of American citizens and also a democracy must be in the moral field for ultimately we ask that each person demonstrate the right and proper attitude toward the poor, toward those who have been deprived and denied, and toward those who cause us trouble and uneasiness. Our responsibility is not just to humanity in the abstract or to the nice and beautiful persons, but to everyone in our society.

We have more knowledge, more power, and greater capability to solve these problems. I believe the testimony of this century is that the United States, if it has the will, need not fail in this great effort.

Mr. MANSFIELD. 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. 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.

## ORDER FOR ADJOURNMENT UNTIL 11 O'CLOCK A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 11 o'clock a.m. tomorrow.

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

## RECOGNITION OF SENATOR HANSEN TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that after approval of the Journal tomorrow morning, the distinguished Senator from Wyoming [Mr. HANSEN] be recognized for not to exceed 1 hour.

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

## EXPORT-IMPORT BANK ACT AMENDMENTS OF 1967

The Senate resumed the consideration of the bill (S. 1155) to shorten the name of the Export-Import Bank of Washington, to extend for 5 years the period within which the Bank is authorized to exercise its functions, to increase the Bank's lending authority and its authority to issue, against fractional reserves, export credit insurance and guarantees, and for other purposes.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. 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.

Mr. MUSKIE. Mr. President, the pending business, S. 1155, would accomplish the following purposes:

First. Extend the life of the Export-Import Bank of Washington for 5 years—to June 30, 1973;

Second. Increase the limitation on the amount of loans, guarantees, and insurance permitted to be outstanding at any one time from $9 to $13.5 billion;

Third. Increase the Bank's authority to issue export credit insurance and guarantees from $2 to $3.5 billion;

Fourth. Express as the policy of the Congress that the Bank should not assist exports to Communist countries, or exports which the Bank knows are principally for use in or sale to a Communist country, except when the President determines that such assistance would be in the national interest and so reports to the Senate and House of Representatives;

Fifth. Express as the policy of the Congress that the Bank should not assist military equipment exports under Department of Defense guarantees provided by the Foreign Assistance Act of 1961, as amended, to less developed countries unless the President determines that such exports are in the national interest and reports the same to the Senate and House of Representatives;

Sixth. Change the name of the Bank from the "Export-Import Bank of Washington" to "Export-Import Bank of the United States"; and

Seventh. Permit the Bank to pay allowances to its Advisory Committee members comparable to that paid other consultants.

Mr. President, the most critical issue in S. 1155 is the question of the Export-Import Bank's participation in the sale of arms overseas. This has been a matter of concern to members of the Committee on Banking and Currency as it has been to other Members of the Senate.

The committee, after careful consideration, concluded that the Export-Import Bank is the proper Government instrumentality for financing military exports from American manufacturers to developing countries when the President determines that such exports clearly are in the national interest. At the same time, such financing must not become disproportionate to other programs of the Bank to assist in financing the commercial export trade of the United States. Therefore, the committee recommends that Bank funds involved in the Department of Defense guarantee program for less developed countries be limited to 7½ percent of the Bank's lending authority as established under section 7 of the act.

Under the ceiling imposed by the committee, the level of Eximbank participation in the DOD guarantee program will be sharply curtailed.

For these reasons, I have first chosen to talk about the two amendments dealing with the Export-Import Bank participations in the financing of exports of defensive arms to our free friends throughout the world.

Now, Mr. President, let us look at the record. Many of us in this Senate have played a part in the record since 1955, and many more have been a part of it since 1962. Both dates are milestones in the history of the issue.

The record first shows that the Congress indicated, in the Foreign Assistance Act and by other means, that it was not pleased with the giveaway arms program that had prevailed since the end of World War II and the Korean war.

The Export-Import Bank's assistance in connection with the sale of military and defense articles is not new. While even before 1962 Bank facilities had been involved in arranging for the financing of military sales to other countries, the current program began primarily in 1962. This was at the time that, as I have said, our Government began to shift its emphasis from a grant program to a loan program. And so it was that the facilities and the authority of the Export-Import Bank naturally came into play.

In 1962 the Export-Import Bank began, on its own, to finance arms sales to the industrialized and stronger friendly countries. This was easily accomplished through the Bank's right to determine financing of exports to countries where the ability to repay appeared reasonably assured.

Less developed countries, for the most part, could not meet the same qualifications.

Faced with the need of financing arms assistance to the less-developed nations, the Congress, in 1964, authorized DOD to guarantee financing provided by other institutions for military export sales and to charge a fee for such guarantee.

Then the Congress in 1965, again through amendment of the Foreign Assistance Act sections 503 and 509, removed the guarantee fee requirement for Export-Import Bank and other Government agencies.

Then the Eximbank and DOD worked out an agreement whereby the less-developed countries—now commonly called the X countries—would receive assistance from the Eximbank in the financing of arms exports.

Under the Eximbank-DOD arrangement, the Bank would not deal with the buyer, but only with DOD.

I might add this point for benefit of Members of the Senate: The Comptroller General took note of this arrangement in his audit of the Bank for 1966.

At the time of the Bank arrangement with DOD to help less-developed countries to defend themselves against communism, the Bank officials had hoped to put at least some of the financing with private banks. However, the Bank found the money market at that time to be in such condition as to make it unwise to try to get private financing for the sales.

Mr. President, the record shows clearly that the DOD arms sales program was at that time under constant congressional review.

From 1962 to the present time, the Eximbank has authorized $1.9 billion in financial assistance on military exports.

Of this amount, $1,326,000,000 has been made directly by the Bank to industrialized nations of Europe and Oceania without any DOD guarantees. This was accomplished, then, on the Bank's reasonable repayment policy which corresponds with the Bank's policy on commercial exports.

Up to the present time—since 1962—the Bank has participated in arms financing, with DOD guarantees, to the total of $604 million. This financing would be largely to the countries where direct financing by the Bank would not be feasible. The interest rates recently have been 5½ percent with maturities generally at 5 to 7 years.

Additional information will be shown with respect to the anticipated financing experience of the Bank in its commercial activities, but let it be said at this point that the total $13.5 billion limit in Bank commitments requested in this bill is expected to be met by the Bank before the June 30, 1973, termination date of the Bank, also requested in this bill. That is without regard to military loans.

But to return now to the military sales program, we find that since changing from grants of military equipment to a sales program, 60 percent of all military exports are now being paid for by the recipients—our friends who are with us in the fight for freedom.

Such a program reduces our dollar cost to the contribution of world peace.

It has also been helpful in the free world defense program that the Congress, in the Foreign Assistance Act, provided that arms exports could be on a cash or credit basis. With the industrialized nations in a position, for the most part, to pay cash for our shipments, the less-developed nations can acquire defensive equipment by the credit arrangements between the Eximbank and DOD.

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

Mr. MUSKIE. I yield.

Mr. TOWER. Does the Defense Department estimate that in the next 5 years that ratio will go still more to loans than grants, to the tune of about 3 to 1?

Mr. MUSKIE. The Senator is correct. That is the trend. We expect it to continue in that direction, as the Senator has indicated.

Of our total arms sales, 90 percent go to the more industrialized nations and 10 percent to the less-developed nations. It is a part of the program of assistance that less-developed countries be discouraged from participating in arms purchases beyond their economic means, or beyond their legitimate needs to meet internal or external threats to their security. In some of these latter cases security is a real problem.

The record shows clearly, Mr. President, that the United States has made every effort to bring about a reduction in the world arms race, but to date we have not achieved our goal. We cannot achieve it unilaterally, and until there is a general agreement on arms, our help will be needed for the defense of friendly nations.

The committee has been assured by administration witnesses that our Government carefully weighs all factors in every application for arms made by a less-developed nation, hopeful that in this way we can contribute to a peaceful balance of world power.

Alternatives to the system of arms financing have been heard from various sources. Some members recommended private bank financing, but we found the amounts involved were often too large and that private banks are not willing to participate in such transactions.

We have reviewed the history leading to the Eximbank's participation in the arms sales program in 1962; now let us go back a bit in history for the record that made Eximbank participation possible and logical.

In 1955, Congress supported a shift from grants to loans in our economic and military assistance programs. This led to a 1955 act clarifying the meaning of the Eximbank's possible participation in other than commercial loans.

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

Mr. MUSKIE. I yield.

Mr. ELLENDER. The Senator referred to a 1955 act. It is really a 1954 act; and the monies that were used, as I understand, were not Export-Import Bank funds. On the contrary they were appropriated by Congress, and the facilities of the Export-Import Bank were merely used to carry out the transaction.

As I will show later, the Bank at no time used its own funds until just lately. I think the first loan was made by the Bank in 1963. Since then loans have been made to England, and other countries; and, as the Senator stated a while ago, such loans were made without any guarantees whatever from DOD. Of course, the reason for this was that the loans were made to hard currency countries. In other words, the loans were made to developed nations.

Mr. MUSKIE. It was not my intention to make the point any broader than the Senator makes it. I make the point that in 1955—it may have been 1954, I have not checked that out, but the Senator's recollection is probably accurate—the Eximbank's facilities were used.

Mr. ELLENDER. But not its money.

Mr. MUSKIE. I am not quarreling with that. The question that has arisen, may I say to the Senator, in the public press and elsewhere, is whether or not, among other things, Eximbank ought to be associated with this kind of export.

It was associated, though not in the way that it now is, in 1955, under the authorization of Congress, in the export of arms. That is the only point I make, and the Senator's comment does not destroy that point. He has qualified it in a perfectly proper way, and what the Senator has said is accurate.

Mr. ELLENDER. I wish the Senator would specifically point out the law that was involved and show us what arms were sold. As I recall, Congress authorized the use of the facilities of the Export-Import Bank to administer loans for economic development. I do not recall that it authorized the Bank to administer loans made for purchase of military equipment.

Mr. MUSKIE. If the Senator has the actual language of the act, he can assist me in answering his question. My impression is otherwise.

Here is the report from the Committee on Foreign Relations on the Mutual Security Act of 1955. I read the actual language.

Mr. ELLENDER. The 1954 act.

Mr. MUSKIE. It was called the Mutual Security Act of 1955. But in any case, the language, which is the pertinent

point in response to the Senator's question, begins as follows:

The present bill, in section 2(b), would authorize the furnishing of military assistance on terms of repayment up to ten years, and without regard to sections 105, 141, and 142. Military assistance appropriations would be used to finance these transactions, and repayments would go into the Treasury as miscellaneous receipts. The committee does not anticipate a large volume of aid to be furnished under this new provision, but believes that it may be useful in a few instances for the Defense Department to have this authority.

As I pointed out, the facilities of the Eximbank were used to assist the Department of Defense in discharging that authority.

(At this point, the Senator from New York [Mr. KENNEDY] assumed the chair.)

## 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 amendment of the House to the bill (S. 1296) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and administrative operations, and for other purposes.

## POEM OF A VIETNAM VICTIM

Mr. JAVITS. Mr. President, on March 18, 1967, a youthful soldier from New York was killed by enemy gunfire near the village of An Loc, Republic of Vietnam. From among the personal papers of Cpl. Thomas M. Whitman, age 21, a poem written by him has been forwarded to me by his grieving parents, Mr. and Mrs. Frank Whitman, of Brooklyn. The poem entitled "Wondering," written before Corporal Whitman undertook his assignment in Vietnam, symbolizes the questioning, idealistic spirit of young Americans and reminds us solemnly of the price we are paying as a people to keep our world commitments.

Mr. President, I ask unanimous consent that the poem be printed in the RECORD as a part of my remarks as a memorial to this fine young man who sacrificed his all so that freedom might live.

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

WONDERING

I wonder why
The clouds roll by
And drop their rain
In wet abundance;
Why roses grow
And rivers flow
And mountains rise
To touch the sky;
Why man exists
With the power
To rule or ruin.

Someday I'll know
But when I do
There'll be no reason
To want to.

FEBRUARY 1964.

## EXPORT-IMPORT BANK ACT AMENDMENTS OF 1967

The Senate resumed the consideration of the bill (S. 1155) to shorten the name of the Export-Import Bank of Washington, to extend for 5 years the period within which the Bank is authorized to exercise its functions, to increase the Bank's lending authority and its authority to issue, against fractional reserves, export credit insurance and guarantees, and for other purposes.

Mr. MUSKIE. In addition, I have the following language from the Mutual Security Act of 1954, as amended. Section 102 contains this language:

Military assistance may be furnished under this chapter on a grant or loan basis and upon such other appropriate terms as may be agreed upon, by the procurement from any source and the transfer to eligible nations and international organizations of equipment, materials, and services or by the provision of any service, including assignment or detail of members of the Armed Forces and other personnel of the Department of Defense solely to assist in an advisory capacity or to perform other duties of a noncombatant nature, including military training or advice.

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

Mr. MUSKIE. I yield.

Mr. ELLENDER. That was to be done by the Department of Defense. In no place in the act was it stated that the Export-Import Bank would finance the sale of military hardware. The Congress did encourage a change in our assistance from a grant to a loan basis; there is no doubt about that. But the facilities of the Export-Import Bank were made available to administer economic loans.

Mr. MUSKIE. May I fill out the record for the benefit of the Senator from Louisiana? The 1955 act added the word "sales" to "grants and loans," and then added this language:

Funds for the purpose of furnishing assistance on terms of repayment may be allocated to the Export-Import Bank of Washington, which may, notwithstanding the provisions of the Export-Import Bank Act of 1945, as amended, make and administer the credit on such terms.

Mr. ELLENDER. That is correct; but, as I said awhile ago, it never used its own funds for that purpose; and if the record is looked into the Export-Import Bank did not begin to finance the sale of military hardware until 1962.

Mr. MUSKIE. That is the only point I have made; I have not attempted to do any more than that. I am not arguing that pursuant to the 1955 act the Export-Import Bank used its funds. I said the Export-Import Bank used its facilities, facilities which presumably were supported by its funds, the circumstances of which were supported by its funds to administer the military arms export program. That is the only point I made in my prepared statement; I have not enlarged upon it.

I am grateful to the Senator from Louisiana for clarifying the issue.

In 1957, Congress gave authority for a revolving fund to be used in arms credit sales. The fund grew from 1958 to 1967 to a current level of $383 million in obligation authority.

In 1964, Congress authorized use of these funds to guarantee loans by financial institutions. Hence, the beginning of the Exim-DOD program. Early in 1966 the shift from grants to sales took form in response to Presidential recommendation.

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

Mr. MUSKIE. I yield.

Mr. ELLENDER. Did the Senator say "the beginning"?

Mr. MUSKIE. "The beginning" with respect to what?

Mr. ELLENDER. Of Export-Import Bank sales in, say, 1962.

Mr. MUSKIE. Yes. I said that on the third page of my statement this afternoon.

Mr. ELLENDER. I thought the Senator had stated that under the 1954 legislation this had been authorized.

Mr. MUSKIE. No. I think I have made it clear that the 1955 or 1954 act—I am confused, because the act is referred to as the Mutual Security Act of 1955, in the case of the piece of legislation we are talking about—authorized the use of Export-Import Bank facilities; never money. I have never made the argument that money was used, and I do not make that argument now. The facilities of the Export-Import Bank were used to handle credit sales of arms and the export of arms. The use of the Export-Import Bank money borrowed in connection with banking functions began in 1962.

I disagree with the Senator on one other point. I think the authority was there right along, but it was used in 1962.

Mr. ELLENDER. The Senator continues to use the word "arms." It was in order to facilitate loans and economic assistance.

Mr. MUSKIE. The language of the act in its final form was "sales, grants, and loans." The use of credit to expedite the program was specifically authorized.

This is the language—and I repeat it, because I read it before: "funds for the purpose of furnishing assistance and terms of repayments." That is clearly present.

All of this background, Mr. President, is necessary, I believe, to understand the meaning of two amendments the committee added to S. 1155 dealing with the Eximbank's participation in financing arms exports.

First, the committee voted a conditional prohibition against participation of Eximbank in the financing of arms exports under the existing arrangement with DOD. This prohibition would affect, primarily, the exports to less-developed countries. The industrialized countries are largely in a position to pay cash or qualify for direct Eximbank loans. Under the committee amendment the President may waive the prohibition by reporting to the two Houses of Congress that he finds it to be in the national interest to permit the Bank's participation in the country X program.

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

Mr. MUSKIE. I yield.

Mr. TOWER. Mr. President, the President must report in 30 days. It is exactly the same proviso that applies to third-party beneficiary restrictions.

Mr. MUSKIE. The Senator is correct.

Mr. TOWER. And is the President obligated to designate X countries or, in other words, the names of the countries?

Mr. MUSKIE. On a classified basis it is not necessary. But he is directed to furnish all information, including the identity of X countries.

Mr. TOWER. That information, in other words, will then be available to Congress?

Mr. MUSKIE. As it has been. It will be under this amendment.

Mr. TOWER. We did not, of course, know that it existed before. But we can then determine what countries precisely these guarantees are going to?

Mr. MUSKIE. The Senator is correct. And the Senate committee report, I think, spells that out.

I am happy that the Senator has made that clear here.

The committee also approved another amendment designed to limit the participation of the Bank in the financing of arms exports under the DOD guarantee program regardless of a Presidential waiver.

Under this amendment the Eximbank's country X arms export financing would be limited to 7½ percent of the total Bank authorizations for loans, guarantees, and insurance.

What this last amendment means is this: Should the $13.5 billion authorization provided in the pending bill become law, the Bank's ceiling on outstanding authorization for country X arms export financing would be $1,012,500,000.

I mentioned earlier, Mr. President, the committee felt that the Bank's anticipated activities warranted approval of the Bank request for an increase of $4.5 billion in its authorization for loans, guarantees, and insurance.

The Bank reports that at the end of fiscal year 1967 there were outstanding commitments of $7.4 billion against the Bank's present authority limit of $9 billion. This would leave $1.6 billion in lending authority, less than 1 year's anticipated needs.

The additional commercial activity anticipated by the Bank is drawn from the 1967 fiscal report showing that $3 billion, 600 million in authorizations was used for loans, guarantees, and insurance. This was an increase of $1 billion, 450 million more than in 1966.

The Bank's commercial activities in fiscal 1966 and 1967 rose in those years from $1 billion, 650 million to a total of $2 billion, 700 million. And more increases are anticipated.

The future outlook for expanded use of the Bank's operations include an estimated $2.5 to $3.5 billion in commercial aircraft exports which are expected to total about $6 billion in export values in the next 5 years.

Nuclear power exports are expected to run to $1 billion in 5 years.

Kennedy round trade results are expected to increase the Bank's authorization needs over the 5-year extension of the Bank charter, which is asked in the bill.

The future activities of the Bank in financing of exports would be changed by another amendment the committee approved for inclusion in S. 1155.

This amendment would prohibit the Bank from participating in any export financing of any commercial product which, in the knowledge of the Bank, would be intended for transshipment to a Communist country by a non-Communist recipient of Bank credit on the export.

Some concern has been expressed about the purported transaction which would aid in the building of a Fiat automobile plant in Russia. The Fiat plan called for purchase of automobile manufacturing tooling by IMI, an Italian finance organization, which is a non-Communist qualified buyer. The machinery then would be transshipped to Russia. The committee's amendment would prevent such a transaction.

Recognizing the necessary Presidential prerogatives in foreign affairs, the committee provided that the President could waive the prohibition in any case where he found the best interests of the United States would be served by transshipment to a Communist country of any product purchased by a non-Communist country.

Mr. President, the extension of the termination date of the Bank from June 30, 1968, to June 30, 1973, is a major consideration in early congressional action on this bill.

Assurance of continuation of the Bank's activity in the financing of our export trade is of dire importance in the negotiating of contracts. Our businessmen and the businessman abroad need this assurance in order to plan long-range purchases and sales.

The five-year extension would be consistent with the action of Congress since 1947.

Since the Congress approved the last five-year extension four years ago, the Bank's loans and authorizations have been increased by about $4 billion. Loan disbursements went up $2.2 billion. The difference between these figures represent cancellations, transfers, sales of loans and the undisbursed balance of outstanding commitments.

Loan payments for the four-year period were $1.7 billion, and $700 million was received in fees and interest. There was a net income of $461 million, of which $200 million was paid in dividends to the Treasury and $261 million added to the Bank's reserve.

Thus, this is a profitable operation, returning a profit to the Treasury of the United States.

That was 4 years of business, Mr. President, and leaves the Bank today with $6 billion in commitments on direct loans, $4 billion of which are outstanding, and the present level of guarantees and insurance is $1.6 billion.

In last fiscal year alone, the Bank's volume of authorizations were close to $3.6 billion, of which about $2.7 billion would be charged against the statutory limitation since guarantees and insurance are only charged at 25 percent.

One can readily see from the figures of the Bank's business activity in the past few years the great benefits to our export trade—and the great importance to our balance-of-trade problem.

There is, of course, a loss side of the ledger, and here we find that the old China and Cuba defaulted credits total $53 million. Also, there were delinquencies of about $8 million due from Indonesia on a debt of $80.7 million. Other delinquencies total $9 million, but are considered temporary.

The Bank's reserves, which have been growing at a rate of about $60 million per year, now total $1,080 billion, an amount about equal to the Bank's paid-in capital.

What the Bank expects in the future will be discussed in connection with another major amendment approved by the committee, that of increasing the total lending authority of the Bank from $9 billion, the present limit, to $13.5 billion.

At this point, however, I should like to have printed in the RECORD a summary of the Bank's operations during the period just discussed—1962–66.

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

SUMMARY OF OPERATIONS, 1962–66

| | Cumulative to Dec. 31, 1962 | Cumulative to Dec. 31, 1966 | Increase over 4-year period |
|---|---|---|---|
| Loan program (billions): | | | |
| Loan authorizations | [1] $13.4 | [1] $17.4 | [1] $4.0 |
| Loan disbursements | [1] 9.2 | [1] 11.4 | [1] 2.2 |
| Loan repayments | 5.2 | 6.9 | 1.7 |
| Interest and fees received | 1.5 | 2.2 | .7 |
| Income, dividends, and reserves (millions): | | | |
| Net income | 1,110 | 1,571 | 461 |
| Dividends to U.S. Treasury | 306 | 506 | 200 |
| Accumulated reserves for contingencies and defaults | 804 | 1,065 | 261 |

[1] The differences between amounts authorized and the amounts disbursed represent cancellations, transfers to others, sales of loans, and undisbursed balances of outstanding commitments.

REVISED ADVISORY COMMITTEE PER DIEM

Mr. MUSKIE. Another of the committee's amendments to S. 1155, a comparatively minor one—except, perhaps, to the nine members of the Eximbank's advisory committee—would permit the Bank's board of directors to bring the per diem allowances for the members into line with allowances being paid elsewhere in the Federal Government for the same duties.

In 1954, Congress approved a daily rate for each member of $50 and travel allowance of $10 per day. This rate was higher than the prevailing rate for similar consultant activities, which was $45 per day and $9 travel allowance.

But the consultant per diem rates have increased greatly since 1954, and it has become a penalty rather than a premium to be on the Bank's consultant committee. For example, in fiscal 1967, fees for ordinary consultants ran $88 per day and travel allowances of $16.

As of today, the rate of the Bank's advisory committee members would be $100 per day with a travel allowance of $16 per day.

And to convince the Members of the Senate that the Eximbank's advisory committee is not made up of ordinary consultants, I ask unanimous consent, with pride, the right to have printed in the RECORD at this time the names of these esteemed gentlemen who serve the Bank so well.

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

Howard C. Petersen, Chairman and Chief Executive Officer, Fidelity Bank, Philadelphia, Pa. (Chairman of our committee.)

Alfred W. Barth, Executive Vice President, Chase Manhattan Bank, New York City.

Nat Goldfinger, Director of the department of research, AFL–CIO, Washington, D.C.

Joseph A. Grazier, President, American Radiator & Standard Sanitary Corp., New York City.

J. Victor Herd, Chairman of the Boards, The Continental Insurance Companies, New York City.

Dr. James A. McCain, President, Kansas State University, Manhattan, Kans.

Philip W. Pillsbury, Co-Chairman of the Board, The Pillsbury Company, Minneapolis.

William F. Ray, Manager, Brown Brothers Harriman & Co., Boston, and President of the Bankers Association for Foreign Trade. I might add that the chairman of that Association is, ex officio, always asked to join our Advisory Committee.

Eric Ridder, Publisher, The Journal of Commerce, New York City.

CHANGE OF NAME

Mr. MUSKIE. One of the minor changes made in the bill by the committee provides for changing the name of the Bank from the "Export-Import Bank of Washington" to the "Export-Import Bank of the United States."

The present name of the Bank has existed since its founding in 1933, but the committee felt that the name should reflect its Federal character.

Mr. President, that completes the presentation of the bill, and I yield the floor.

Mr. TOWER. Mr. President, I commend the distinguished Senator from Maine for his able handling of the bill in committee. I concur with most of his remarks in support of the measure, and I intend to support it in its present form.

I am hopeful that the Senate will leave the bill intact. It has been considered thoroughly. In the controversial matter of the arms purchase, the full committee has been satisfied for the most part, that this is a legitimate way of financing these arms sales and is in the national interest.

I hope the bill will remain intact, and I will support it fully.

Mr. ELLENDER. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT LEGISLATIVE CLERK. On page 4, strike out lines 1 through 21 and insert in lieu thereof the following:

(3) It is further the policy of the Congress that the Bank shall not, in the exercise of its functions under this Act or any other law, issue guarantees, insurance, coinsurance, or reinsurance, make loans, or in any other way extend or participate in an extension of credit, in connection with the purchase of any defense article (as defined in section 644(d) of the Foreign Assistance Act of 1961, as amended) by any less developed country, or agency or national thereof.

Mr. CLARK. Mr. President, I should like to ask the Senator from Louisiana [Mr. ELLENDER] a question. I have been reading his amendment with great interest. I shall certainly support it. I wonder whether he would be willing to modify it by striking the following words which appear after the No. 3 in parentheses:

It is further the policy of the Congress that . . .

Strike those words so that the amendment would read:

The bank shall not, in the exercise of its functions under this act . . .

I believe that this change would make the direction from Congress more explicit and mandatory and make it impossible for the Bank to ignore what has been previously stated as the policy of Congress.

Mr. ELLENDER. As I read the amendment originally I thought it did just that. The purpose of my amendment is certainly to prevent the Bank from using its facilities and monies to provide credit for the sale of military hardware to less-developed countries.

I have no objection, Mr. President, I modify my amendment by striking from it the words indicated by my good friend from Pennsylvania.

The PRESIDING OFFICER. The amendment is so modified.

Mr. CLARK. I thank the Senator from Louisiana for his kindness in accepting this modification of his amendment.

I should like to ask him one more question, if I may. Why does the Senator limit the prohibition on the Bank in his amendment to less developed countries or agencies or nationals thereof? It is my understanding that much of the money in the loans the Bank has made has gone into developed countries, such as West Germany which, in turn, have resold the military hardware to underdeveloped countries. I am wondering why the Senator did not include all countries in his amendment?

Mr. ELLENDER. As I will explain later in my presentation to the Senate, I proposed three amendments before the Committee on Banking and Currency.

The first amendment prevented the Export-Import Bank from using any of its funds to finance the sale of military hardware to any country. Later I discussed that amendment with Mr. Linder, the president of the Export-Import Bank, and was told of the large number of contracts already made.

I then prepared a second amendment similar to the first but which would not effect the fulfilling of contracts and sales which had been previously consummated. Then I presented a third amendment, which is the one we are now considering, and which I hope will be adopted.

To be frank with the Senator from Pennsylvania, it is my belief that this third amendment will have a better chance of winning approval.

Mr. CLARK. I appreciate the pragmatic reasoning of the Senator from Louisiana, one of the ablest parliamentarians and experienced legislators the Senate has ever had. I would be happy to support either his first or second amendment. I share his high regard for Mr. Linder. I think he is a splendid public servant. But, if the Senator does not have the votes for the first or second amendment, perhaps he is wise in reverting to a fallback position by proposing the third amendment with the modification which he has kindly agreed to. I want to assure him that he has my support in that effort.

Mr. President, I yield the floor.

Mr. TOWER. Mr. President, will the Senator from Pennsylvania yield for a comment on the matter of Germany?

Mr. CLARK. I am happy to yield to the Senator from Texas.

Mr. TOWER. Mr. President, according to information provided me by the Department of Defense, I think that we can clarify this business of what happens relative to transshipment of arms from Germany.

Material provided to the Federal Republic of Germany was originally grant in aid. In May 1962, the United States sold its reversionary rights to grant items but with certain major exceptions for $75 million. The exceptions were M–41 tanks, 105, and 155mm Howitzers, and F–84 aircraft; these items if excess to the Federal Republic of Germany needs must first be offered to the United States for possible reacquisition.

Where the reversionary rights were sold, the items can be disposed of to other NATO countries for NATO use without further U.S. approval. Sale by the Federal Republic of Germany of this equipment to non-NATO areas, however, requires item-by-item U.S. approval.

All requests from the Federal Republic of Germany for equipment transfers are considered by both the Department of State and the Department of Defense who are provided with the views of the U.S. Country Team in the proposed recipient country. Instances of alleged violations of procedures have occurred generally when the recipient nation to which the Federal Republic of Germany provided U.S.-origin equipment has not honored its agreement to the Federal Republic of Germany not to transship.

The F–86 Sabre VI aircraft which reportedly turned up in Pakistan were not of U.S. production. They were purchased by Germany from Canada and were sold by the Federal Republic of Germany to Iran for Iran's own use, and Germany had official assurances of this from Iran.

With respect to tanks, there have been no recent movements of U.S.-origin tanks from Germany and there will be none unless the United States first approves such movement. This is a frequent complaint of arms dealers.

In 1965, Germany, with U.S. approval, did transfer some M–48 tanks to Turkey, a NATO ally.

Mr. CLARK. I thank the Senator for his explanation. I have no doubt that the sale of American equipment by Germany to other countries was not financed by the Export-Import Bank. Nevertheless, Germany did sell American materiel, I understand, to other countries for which it was not intended.

Mr. TOWER. Let me point out that acquisition of the F–86 Sabre jets was from Canada and not from the United States.

Mr. CLARK. Mr. President, I yield the floor.

Mr. ELLENDER. 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. BYRD of West Virginia. 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. ELLENDER. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. ELLENDER. Mr. President, as I stated a while ago in answer to questions of the distinguished Senator from Pennsylvania, I originally intended to propose an amendment that would prevent the Export-Import Bank from financing the sale of any military hardware to any country, the reason being that the Export-Import Bank was not created for such purpose, nor was it the intent of Congress that it be authorized to engage in such transactions.

After it became known that I intended to offer such an amendment, I was visited by several persons from the Export-Import Bank, including its president, Mr. Linder. After he stated to me that there were quite a number of large loans made and about to be made for such purposes to industrialized countries, I told him I would give the matter further consideration.

Later I was visited by several other prominent people in Government, and I discussed with them my original intention of entirely prohibiting the use of the facilities of the Export-Import Bank, or its monies, to finance the sale of military hardware. I was informed that hundreds of millions of dollars had already been thus committed and it would probably be harmful to our country if we did not carry out the propsals that had been agreed upon directly between the Export-Import Bank and certain developed countries.

As Senators know, before the Export-Import Bank may loan money to any country, it must make sure that the loan will be repaid. The officials of the bank stated that they were satisfied that as to sales to England, Italy, and other countries of Western Europe, the transactions made between the Bank and the host country were sound.

Because of what I thus learned, Mr. President, I modified my amendment to bring it into its present form. I would much prefer that the Export-Import Bank limit its transactions to the original purpose for which it was organized, which was to foster exports from our country, particularly, to the countries to the south of us. My good friend, the Senator from Maine, stated that the Mutual Security Act of 1955 gave the Export-Import Bank authority to finance sales of military hardware. But, Mr. President, in section 505 of that act—the only section wherein the Export-Import Bank is mentioned—there is no reference to military hardware. All of the emphasis is on the making of economic loans. The only reason why the Export-Import Bank's facilities were used by the Government was because it had agencies throughout the world and had dealt with many of the countries in question; and instead of creating a separate agency to carry on the loan program for economic development, the facilities of the Export-Import Bank were used.

Mr. President, it is not only in that case that the facilities of the Export-Import Bank have been used. They were also used to facilitate the so-called Cooley loans, which, as we know, consisted of an amount equal to 5 percent of the sales of agricultural commodities abroad. The money was to be used in the host country to develop the econmoy of that country, so as to help make it self-sustaining as soon as possible. There was no mention, Mr. President, of the sales of arms or anything of the kind. The purpose was purely and solely economic.

HISTORY OF THE EXPORT-IMPORT BANK OF WASHINGTON

I

Mr. President, the Export-Import Bank was organized by President Roosevelt through Executive order on September 2, 1934. The authority for this action was the National Industrial Recovery Act of 1933, the Reconstruction Finance Corporation Act of 1932, and the Bank Conservation Act of 1933—all measures aimed at the economic recovery of the United States.

The Executive order stated that the purpose of the Bank was to "remove obstacles to the free flow of interstate and foreign commerce."

A further purpose of organizing this Bank at this time was to assist in facilitating trade with the newly recognized Soviet Russia.

II

Later in 1934, a second Bank was created to deal with nations other than Russia, again by Executive order. It was the purpose of the second Bank to "remove obstacles to free flow of interstate and foreign commerce, to provide for the general welfare, and to facilitate exports and imports and the exchange of commodities between the United States and other nations or the nationals thereof." The authority for the creation of the second Bank was the same as the first, although the Agricultural Adjustment Act of 1933 was also included.

III

In January 1935, the first Export-Import Bank was given legislative sanction by the Congress. Under the law, the Bank was instructed "to aid in the financing and facilitating of exports and imports and the exchange of commodities between the United States and any of its territories and its possessions and any foreign country and the nationals thereof."

The Senate and House reports on this legislation—section 9 of Public Law 74-1—make no mention of military transactions and make it clear that the Bank was to assist in the international movement of domestic commodities.

IV

In March 1939, Congress extended the life of the Bank to 1941. For the first time a limitation—$100 million—was put on all loans and obligations which the Bank could have outstanding at any one time. A history of the Export-Import Bank prepared by the Department of State points out that it was thought that such a limitation on the volume of business would be a wise precaution at a time when some feared that the Bank's credit might be used indirectly to help belligerents in carrying on the war.

V

Early in 1940, Congress was concerned that the Export-Import Bank might become involved in financing shipments of war materiel because of the war in Europe. This led to the adoption of the following proviso—and remember that I am speaking of the Export-Import Bank of Washington:

*Provided further*, That the Export-Import Bank of Washington shall not make any loan to any government . . . for the purchase of any articles, except aircraft for commercial purposes, listed as arms, ammunition, or implements of war by the President of the United States in accordance with the Neutrality Act of 1939. From the Congressional debates it is clear that Congress did not intend to let the Bank get involved in military transactions. (54 Stat. 38)

Mr. President, I ask unanimous consent that the Executive orders to which I have referred be printed at this point in the RECORD.

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

[6581]

EXECUTIVE ORDER AUTHORIZING THE FORMATION OF A BANKING CORPORATION TO BE KNOWN AS EXPORT-IMPORT BANK OF WASHINGTON

Whereas the Congress of the United States has declared that a national emergency exists by reason of widespread unemployment and disorganization of industry; and has declared it to be the policy of Congress to remove obstacles to the free flow of interstate and foreign commerce which tend to diminish the amount thereof, to provide for the general welfare, by promoting the fullest possible utilization of the present productive capacities of industries, to reduce and relieve unemployment, to improve standards of labor, and otherwise to rehabilitate industry; and

Whereas in order to meet said emergency and to provide the relief necessary to protect the general welfare of the people the Congress has enacted, *inter alia*, the following acts:

1. National Industrial Recovery Act, approved June 16, 1933;

2. Reconstruction Finance Corporation Act approved January 22, 1932;

3. Bank Conservation Act, approved March 9, 1933; and

Whereas in order effectively and efficiently to carry out the provisions of said acts it is expedient and necessary that a banking corporation be organized with power to aid in financing and to facilitate exports and imports and the exchange of commodities between the United States and other nations or the agencies or nationals thereof;

Now, therefore, under and by virtue of the authority vested in me by the National Industrial Recovery Act of June 16, 1933, it is hereby declared that an agency, to wit: a banking corporation, be created pursuant to title 5, chapter 9, section 261 of the Code of the District of Columbia, under the name of Export-Import Bank of Washington.

The governing body of said corporation shall consist of a board of trustees composed of five members, and the following persons, who have been invited and who have given their consent to serve, shall act as incorporators and shall handle the concerns of the corporation for the first year:

Daniel C. Roper, Secretary of Commerce.

Robert F. Kelley, Chief of the Division of Eastern European Affairs, Department of State.

Chester C. Davis, Administrator, Agricultural Adjustment Administration.

Stanley Reed, General Counsel, Reconstruction Finance Corporation.

Lynn P. Talley, Executive Assistant to the Directors of the Reconstruction Finance Corporation.

The operations of the corporation shall be carried on in the District of Columbia, and the main office of the corporation shall be at 1825 H Street NW., Washington, District of Columbia.

The amount of capital stock of the corporation shall be $11,000,000, divided into classes and shares as follows:

(*a*) $1,000,000 par value of common stock, divided into 10,000 shares of the par value of $100 each; and

(*b*) $10,000,000 par value of preferred stock, divided into 10,000 shares of the par value of $1,000 each.

The Secretary of State and the Secretary of Commerce are hereby authorized and directed to cause said corporation to be formed, with such certificate of incorporation, and bylaws, as they shall deem requisite and necessary to define the methods by which the corporation shall conduct its business.

The persons above named are authorized and directed to subscribe for all of the common capital stock for the use and benefit of the United States, of which amount five shares may be held in the respective names of the initial trustees and their successors if required by the law under which said banking corporation is incorporated.

There is hereby set aside for the purpose of subscribing for the common capital stock of said corporation the sum of $1,000,000 out of the appropriation of $3,300,000,000 authorized by section 220 of the National Industrial Recovery Act and made by the Fourth Deficiency Act, fiscal year 1933, approved June 16, 1933 (Public, No. 77, 73d Cong.).

It is hereby further directed that any common stock in said corporation standing in the name of the United States shall be voted by such person or persons as they—the Secretary of State and the Secretary of Commerce—shall appoint as their joint agent or agents for that purpose. Any vacancies occurring in the initial board of trustees shall be filled by the board of trustees, subject to the approval of the President of the United States.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *February 2, 1934.*

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EXECUTIVE ORDER AUTHORIZING THE FORMATION OF A BANKING CORPORATION TO BE KNOWN AS SECOND EXPORT-IMPORT BANK OF WASHINGTON, D.C.

Whereas The Congress of the United States has declared that a national emergency exists by reason of widespread unemployment and disorganization of industry; and has declared it to be the policy of Congress to remove obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof; to provide for the general welfare by promoting the fullest possible utilization of the present productive capacity of industries, to reduce and relieve unemployment, to improve standards of labor and otherwise to rehabilitate industry and to conserve national resources; and

Whereas in order to meet said emergency and to provide the relief necessary to protect the general welfare of the people, the Congress of the United States has enacted, *inter alia*, the following acts:

1. National Industrial Recovery Act, approved June 16, 1933;

2. Agricultural Adjustment Act, approved May 12, 1933;

3. Reconstruction Finance Corporation Act, approved January 22, 1932;

4. Bank Conservation Act, approved March 9, 1933; and

Whereas in order effectively and efficiently to carry out the provisions of said acts it is expedient and necessary that a banking corporation be organized with power to aid in financing and to facilitate exports and imports and the exchange of commodities between the United States and other nations or the agencies or nationals thereof;

Now, therefore, under and by virtue of the authority vested in me by the National Industrial Recovery Act of June 16, 1933, it is hereby declared that an agency, to wit: a banking corporation, be created pursuant to title 5, chapter 9, section 261 of the Code of the District of Columbia (1929), under the name of Second Export-Import Bank of Washington, D.C.

The governing board of said corporation shall consist of a board of trustees composed of nine members, and the following persons, who have been invited and who have given their consent to serve, shall constitute the initial board of trustees and shall handle the concerns of the corporation for the first year:

Daniel C. Roper, Secretary of Commerce.

R. Walton Moore, Assistant Secretary of State.

George N. Peek, Special Adviser to the President on Foreign Trade.

Robert F. Kelley, Chief of the Division of Eastern European Affairs, Department of State.

Chester C. Davis, Administrator, Agricultural Adjustment Administration.

Tom K. Smith, Assistant to the Secretary of the Treasury.

Stanley Reed, General Counsel, Reconstruction Finance Corporation.

Lynn P. Talley, Executive Assistant to the Directors of the Reconstruction Finance Corporation.

Harold H. Neff, Assistant Chief, Securities Division, Federal Trade Commission.

The operations of the corporation shall be carried on in the District of Columbia, and the main office of the corporation shall be at 1825 H Street NW., Washington, District of Columbia, or at such other place as may be determined by the board of trustees.

The amount of capital stock of the corporation shall be $2,750,000 divided into classes and shares as follows:

(*a*) $250,000 par value of common stock, divided into 2,500 shares of the par value of $100 each; and

(*b*) $2,500,000 par value of preferred stock, divided into 2,500 shares of the par value of $1,000 each.

The Secretary of State and the Secretary of Commerce are hereby authorized and directed to cause said corporation to be formed with such certificate of incorporation, and bylaws, as they shall deem requisite and necessary to define the methods by which the corporation shall conduct its business.

The Secretary of State and the Secretary of Commerce are authorized and directed to subscribe for all of the common capital stock of said corporation for the use and benefit of the United States, and shall provide that one share thereof shall be issued to each of the initial trustees and their successors in order to qualify them to hold the office of trustee in said banking corporation.

There is hereby set aside for the purpose of subscribing for the common capital stock of said corporation, the sum of $250,000 out of the appropriation of $3,300,000,000 authorized by section 220 of the National Industrial Recovery Act and made by the Fourth Deficiency Act, fiscal year 1933, approved June 16, 1933 (Public, No. 77, 73d Cong.).

It is hereby further directed that any common stock in said corporation standing in the name of the Secretary of State and the Secretary of Commerce, for the use and benefit of the United States, shall be voted by such person or persons as they, the Secretary of State and the Secretary of Commerce, shall appoint as their joint agent or agents for that purpose. Any vacancies occurring in the initial board of trustees shall be filled by the remaining members, subject to the approval of the President of the United States.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *March 9, 1934.*

Mr. ELLENDER. Mr. President, in 1964 the Foreign Assistance Authorization Act was amended to provide for a 25-percent revolving fund.

It will be recalled that under the Mutual Security Act, there was general authority for the Department of Defense to make direct cash sales to various countries. As I recall, we sold under that program in excess of $8 billion worth of material, primarily to the countries of Western Europe. And those were cash sales.

In 1964 when this revolving fund was presented as a part of the Foreign Aid Act, I questioned Mr. McNamara as to the reason for desiring this revolving fund. I ask unanimous consent that this testimony be printed in full at this point in the RECORD.

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

HEARINGS ON H.R. 11812, 88TH CONGRESS, SECOND SESSION, FOREIGN ASSISTANCE APPROPRIATIONS, 1965

CREDIT SALES GUARANTEE

Senator ELLENDER. There is only one more item I would like to ask about, Mr. Chairman. I notice in the authorization bill where there is some language that would guarantee any organization or any company that would sell military hardware abroad. That appears under section 503(e) shown on page 32 of the report from the Foreign Relations Committee. Did you ask for that language?

Secretary MCNAMARA. We did, indeed, because it is through such action as that that with very little risk in this country we can substantially increase our foreign exchange receipts.

Senator ELLENDER. Now, Mr. Secretary, as you know, we have limited military aid to Latin America.

Secretary MCNAMARA. A total of $69.1 million, of which some $52.2 million is what are called defense articles with relation to which there is a ceiling in the act of $55 million.

Senator ELLENDER. What I proposed to point out, though, was this limitation.

Secretary MCNAMARA. That is quite correct.

LIMITATION FOR AFRICA

Senator ELLENDER. We have a limitation for Africa at $25 million which I put in the authorization bill last year. I notice it has not been changed in this authorization bill. There was a purpose for the Congress to limit these amounts. Is it your understanding of this new language that a country in Africa could increase its military hardware over and above what they get from us by way of grants and we in turn would guarantee the repayment to whoever sold that military equipment to any country who desired it in Africa or Asia or South America or Central America?

Secretary MCNAMARA. We would apply the credit guarantee terms to sales only where we believed it in our interest to have the sale made, which means that a country that was diverting funds from necessary economic expansion to procurement of unnecessary military equipment would not receive such credit guarantees. Let me illustrate the point by this. [Deleted.]

I cite this as an illustration of the policy we follow. We will not allow a nation to divert funds from needed economic expansion to unneeded military weapons.

REASONS FOR LIMITATIONS

Senator ELLENDER. I know, but the limitations that Congress placed on Africa and

Latin America were put in there because we didn't want them to obtain too much equipment, because they might use this equipment against each other. The fact that we say, in effect, that you can come to us and buy from us and that we will guarantee the sellers of that material to you is something that I just can't quite understand.

Secretary McNamara. May I explain why it is necessary? I have explained where we would not use it. We would not use credit guarantees to foster procurement of equipment from us when it meant that a developing nation, such as most of those in Africa and Latin America, would be diverting needed funds from economic development to military procurement. We would provide such guarantees to nations such as [deleted] which wishes to procure equipment from us on credit but which cannot obtain commercial bank credit without some form of governmental guarantee from us.

Senator Ellender. Would you object to an amendment to your amendment here that this would not apply to countries in which we already have a limitation?

Secretary McNamara. Yes, sir, I would. I don't see any reason in the world why Argentina, for example, should not be allowed to procure military equipment from us if they are willing to do so. I think they are wealthy enough to undertake limited purchases of military equipment. They are going to do so any how. They will either buy it from us or from other nations. I see no reason why we should prohibit them from buying from us. There may be other countries in the same situation. I would suggest to you, however, that there is no evidence that I know of that this Government encourages a nation to divert needed resources from economic to military procurement.

Senator Ellender. Except for the fact that Congress put these limitations, there is no telling what the Defense Department would have done.

STATUS OF PROGRAMS

Secretary McNamara. I believe there is, Senator Ellender, by the very fact that we are not up to either one of the limitations in the program we are presenting to Congress.

Senator Ellender. Personally, I don't believe this a a very good amendment, particularly as it affects Africa and Latin America where we have already placed limitations on military aid as I have just indicated.

Secretary McNamara. My policy has been a very clear one, and I think the record will support this. I am absolutely opposed to unnecessary expansion of military organizations in any country in the world, including our own. We have acted, as I have suggested to you, to prevent [deleted] from increasing the military structure to the degree it wished to. [Deleted.]

In the case of Iran we did exactly the same thing as a prerequisite to the negotiation of a 5-year military assistance program, subject of course, to congressional authorization of that. In about 1962, we suggested that the Shah of Iran reduce the military forces of his country [deleted]. I cite this only to indicate that our policy is not to build military forces up at the cost of necessary economic development and expansion.

FOUNDATION OF MILITARY AID PROGRAM

It is true by accelerating economic development of these nations that we will obtain political security and stability. We realize that in Defense. That is the foundation of our military aid program.

Senator Ellender. I simply fear that will be giving an open invitation to them to purchase more military hardware than I would like them to have. Much of the military hardware that we made available to many countries, such as Iraq, as one example, has been used against us. I was in hopes that the committee would consider this and either strike it out or modify it so as to conform to what Congress tried to do in the past in limiting the amount of military equipment to be made available by way of grants by the countries in Latin America and Africa.

Thank you, Mr. Chairman.

MECHANICS IN GUARANTEE OF MILITARY CREDIT RISKS

Senator Pastore. What will be the mechanics involved in the guarantee of military credit risks? Will you pass upon these contracts in the Defense Department?

Secretary McNamara. We will pass on them. We will wish to have a downpayment, a reasonable rate of interest, and some form of reserve set up to take care of possible defaults.

Senator Pastore. As a matter of fact, you will go into the political or military credit much before anything happens?

Secretary McNamara. Yes. We are already doing this because we are working with the Export-Import Bank on matters such as this and with certain commercial institutions today. In certain cases we have found that governments that were financially solvent to the extent that they could obtain and would justify credit from this Government could not accept it from our Government. Frankly [deleted] was in that category because of its relationship with East and West. It couldn't tolerate politicaly credit extended by the U.S. Government. It couldn't obtain credit from commercial banks in this country for procurement of military weapons even though there was every reason to believe that its credit rating was such that it could be expected to repay that credit. What we hope to do is to let them obtain commercial bank credit. In the case of [deleted] we actually eventually worked out an agreement with the Export-Import Bank that was satisfactory. Again that Bank is not chartered for the purpose of extending credit for procurement of military weapons.

GUARANTEES BY GERMANY AND GREAT BRITAIN

Senator Pastore. The reason why I raise the question is I was wondering what the operation would be. This is a kind of new subject. I understand that many of the countries, Germany, Great Britain, in order to accelerate their export business do give guarantees as against political risks of potential or prospective purchasers of articles, even beyond the defense spectrum. There has been some discussion even before our commercial committee in how far our Government should go in giving the same kind of assistance to our manufacturers. This is in goods apart from defense. I was wondering here whether or not we could be assured that the procedures that will be adopted, that the Government is pretty much a part of this. There won't be any reckless contracts or any reckless purchasers. In every instance of buying defense equipment that the Defense Department is going to be in the picture somehow.

Secretary McNamara. Yes. Not only will we be in the picture but I intend that any such contract will come to either my deputy or me for approval. We will want assurance that (A) the military equipment is required in the country at hand and is not excess to its requirements and will not be used in a way to reduce the stability of relations between that country and its neighbors or reduce the political stability of that particular government; (B) we will wish to be assured that the country can afford the diversion of resources from economic expansion to the procurement of military items; (C) we will wish to insure that they have cash flows that will permit repayment on the terms that we agree upon. Those will be the three standards we will apply to each of these loans. Essentially those are the standards we apply to the loans. We are in the loan business today on a very substantial scale to foreign governments.

FINANCING CREDIT SALES TO FOREIGN GOVERNMENT

As you know, the military assistance authorization and appropriation allows us to divert from the grant-aid programs whatever funds we believe necessary to finance credit sales to foreign governments. In the last 3 years, in order to increase our foreign exchange receipts we have diverted very substantial sums. We have raised the total amount of credit sales from something on the order of a few million a year to something approximating $150 million at the present time. All of this is by extension of credit. We believe it is unwise for the Government to be that primary source of credit. Most of these credits could be handled by commercial banks with this type of Government guarantee, and we propose to transfer that credit to the banking system under this guarantee.

Senator Pastore. In the case of a default, let us assume there is an overthrow of a government, and that government cannot pay an American manufacturer, let us say, a million dollars for some military equipment that was ordered, what do you do? Do you come in and ask for an appropriation to pay that?

Secretary McNamara. It will have to come out of the credit assistance portion of the military aid program. The $1,055 million that we are requested in new obligational authority, for example—if we wish to we could shift away from grant aid and extend that entire $1,055 million in the form of credit and we do each year use a portion of it.

GUARANTEE CONFINED TO MILITARY ASSISTANCE

Senator Pastore. This goes beyond the aid in this bill, doesn't it? This guarantee is confined to military assistance.

Secretary McNamara. The credit guarantee which we are asking is for military assistance alone.

Senator Pastore. It does not go beyond that?

Secretary McNamara. It does not.

Senator Pastore. In other words, then you misunderstood me when I asked the question. I considered this to go beyond military assistance. In other words, if Germany ordered it.

Secretary McNamara. Military equipment, I should say, not military assistance. It goes beyond military assistance, but it is limited to military equipment.

Senator Pastore. I realize that.

Secretary McNamara. But defaults on that would be charged against the military assistance program. As the proposed language indicates, we would propose to set up reserves.

REPORTS TO COMMITTEES OF CONGRESS

Senator Pastore. Would you see any objection in having a quarterly report made to committees of Congress?

Secretary McNamara. No. I would be delighted to.

Senator Pastore. I think maybe that would more or less make it more amenable.

Secretary McNamara. Surely I would be delighted to.

Secretary Pastore. Some language in there to the effect that in these instances a quarterly report would be made as to the country and the amount and what was being guaranteed?

Secretary McNamara. Surely.

Mr. ELLENDER. Mr. President, there is no question that if Senators read this testimony they will find that Mr. McNamara stated that the Export-Import Bank was not authorized or organized for the purpose of financing the sale of military hardware. There was no doubt about it. And his idea of the revolving fund of 25 percent, as he pointed out in his testimony before the Senate Appro-

priations Committee in 1964, was to use the commercial banks in the military credit sale transactions.

Here is what he said, as it appears at the top of page 229 of the hearings on H.R. 11812 in August 1964:

We have raised the total amount of credit sales from something on the order of a few million a year to something approximately $150 million at the present time. All of this is by extension of credit. We believe it is unwise for the Government to be that primary source of credit. Most of these credits could be handled by commercial banks with this type of Government guarantee, and we propose to transfer that credit to the banking system under this guarantee.

That was Mr. McNamara speaking in answer to a question in respect to the bank. Senator PASTORE questioned him about this, as appears at page 228 of the hearings. He said:

In the case of * * *—

The name of the country was deleted, because it was secret—

we actually eventually worked out an agreement with the Export-Import Bank that was satisfactory.

That was for the sale, on credit, of military hardware to the countries able to pay and which could qualify under the Bank's rules and regulations. I quote Mr. McNamara:

Again that Bank—

Meaning the Export-Import Bank—

is not chartered for the purpose of extending credit for the procurement of military weapons.

That was Mr. McNamara talking in August of 1964, when he himself stated that the bank was not chartered or organized for that purpose. But what did we find later? Apparently, when it became evident that the commercial banks would not handle these transactions, Mr. McNamara turned to the Export-Import Bank, and that was done very quietly. I serve on the Committee on Appropriations, and I keep as close as I can to what the committee does. At no time was there brought to our attention the action by which the revolving fund was to be used in connection with the Export-Import Bank.

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

Mr. ELLENDER. I yield for a question.

Mr. CHURCH. I wonder if the Senator knows—I am sure he must—that the Committee on Foreign Relations voted, 12 to 6, to liquidate the revolving fund, partly on account of the abusive use of the fund to underwrite sales of military hardware to underdeveloped countries through the Export-Import Bank.

Mr. ELLENDER. Yes; I am familiar with that. I am proud that the committee took that action. As the Senator from Idaho will remember, in 1964, when the guarantee provisions were first placed in a foreign aid bill, I offered an amendment to strike the guarantee provisions from the bill. And the Senate voted unanimously for it. Then, in conference, somehow the House won out, and the guarantee provisions remained in the Foreign Aid Act.

As I have said, I am glad that the Committee on Foreign Relations is doing this on its own now. I am confident that the Senate will adopt such an amendment, and I hope we will be able to persuade the House to agree to the elimination of the revolving fund, and also the guaranty provisions that were added to the Foreign Assistance Act in 1964.

As I have said, my purpose in offering the amendment is not to destroy the great institution known as the Export-Import Bank. It has done a good job. If ever we permit it to become deeply involved—and it will, unless we check it now—in the financing of military hardware for foreign governments, there is no doubt that the time will not be far off when some——

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

Mr. ELLENDER. I yield.

Mr. CHURCH. I am interested in what the Senator has said about blindfolds, because it seems to me that blindfolds run through the entire consideration of the matter now before the Senate.

I have in my hand a list of all the loans that have been made by the Export-Import Bank to extend credit for military sales to foreign governments. Public money has been used, but the summary of the loans made is presented to us in a classified form, so that it is not permissible—or at least it would be very bad form—for me to disclose on the floor of the Senate what the public money has been used for.

The first page lists the developed countries to which loans have been made. The Export-Import Bank knows, in the case of developed countries, what countries are getting the money. But on the second and third pages——

Mr. ELLENDER. The reason for that, may I say to the Senator, is that the contract is made directly between the Export-Import Bank and the importing countries, because the countries are supposed to be able to repay any loans made under the rules and regulations set out for making loans by the Export-Import Bank.

Mr. CHURCH. The Senator is correct.

Mr. ELLENDER. That is the reason for it.

Mr. CHURCH. And with respect to these loans, the bank itself proceeds with its eyes open.

Mr. ELLENDER. That is correct.

Mr. CHURCH. But with respect to the loans that appear on pages 2 and 3 of the report, neither the bank nor the public are made aware of the facts. Now the bank itself is blindfolded. All that appears here—indeed, all the information that the bank itself receives—is the designation of the loan. These have been described as "country X loans," but on this listing they appear as follows: "66 EXIM—A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S," then "67 EXIM—A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P," and so forth.

Mr. TOWER. Mr. President will the Senator yield?

Mr. CHURCH. Not at this time.

Mr. ELLENDER. I will yield to the Senator from Texas shortly.

Mr. CHURCH. With respect to these loans, the Export-Import Bank does not know to what countries the money is going, but simply deals blindly through the Defense Department.

I believe it is very enlightening that in the hearings before the Committee on Banking and Currency which have been held recently, Mr. Harold F. Linder, the president and chairman of the Export-Import Bank of Washington, testified with respect to the latter loans as follows:

An arrangement was worked out between Eximbank and the Department of Defense whereby the Bank would acquire from the Department of Defense obligations, guaranteed by the Department of Defense, arising from sales negotiated by it with certain countries to which the Bank was otherwise not prepared to extend credit for military goods. Under this arrangement Eximbank provides financing, but does not deal with the buyer and is not informed of the buyer's identity.

That is an extraordinary statement for the president of any bank to make. It is an extraordinary way for any bank to do business. It is the second aspect of this case which I would characterize with the blindfold.

Mr. President, with the Senator's permission, I ask unanimous consent to have printed in the RECORD a staff memorandum detailing the way that the Export-Import Bank negotiates these loans in connection with Department of Defense guarantees.

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

PROCEDURE FOR EXIMBANK MILITARY LOANS GUARANTEED BY THE DEFENSE DEPARTMENT

The Department of Defense (DOD) is the agency responsible for negotiating the sale of military equipment to foreign governments. In the case of sales to countries to which the Export-Import Bank is not prepared to extend credit for military sales without a DOD guaranty, the financing of such sales by the Bank is governed by Letter Agreements between Eximbank and DOD.

Once DOD has negotiated an arrangement for the purchase of U.S. defense items by a foreign government, DOD sends Eximbank a Letter Agreement, with attachments, setting forth certain information about the financial arrangements. The information specified in the Letter Agreement and attachments includes (a) the principal amount of funds to be provided by Eximbank, (b) an estimated disbursement schedule for those funds, (c) a fixed repayment schedule for the principal amount, and (d) the rate of interest to be paid to Eximbank. In consideration of the funds to be provided by Eximbank, DOD assigns to Eximbank its rights to the payment from the foreign purchaser under the DOD credit sales arrangement. DOD guarantees to Eximbank the payment of principal and interest due the Bank and obligates out of funds authorized and appropriated for this purpose a reserve of 25% of the amount due Eximbank, as authorized by sections 503 and 509 of the Foreign Assistance Act. Under the Letter Agreement the Bank may sell to a U.S. commercial bank a participation in all or a portion of the rights assigned to it.

On the basis of Eximbank's undertaking to provide financing, DOD enters into a credit sales arrangement with the purchaser. Eximbank is not a party to this arrangement, and any financial instruments such as notes arising under the sales arrangement are held by DOD. DOD's credit sales arrangement does not specify the source of funds (e.g., Exim-

bank) from which the credit will be provided.

Mr. ELLENDER. I think that the statement the Senator read for the RECORD by Mr. Linder is correct. I had occasion to discuss the matter with him, not only in the United States, but I met him also in some countries in South America. We discussed loans, and it was then I learned that these blindfold loans, to which the Senator referred, were made. I wondered how it was that he was able to get around the requirements in the rules and regulations of the Bank that the Bank must be satisfied that the country which gets the loan would be able to repay it. Of course, the answer was: We do not care, because the U.S. Government guarantees it.

Here we have an instance of a corporation in which the stock is totally owned by the Government; the money is put up by the Government; and we have our great Government guaranteeing its own corporation on the sale of military hardware to underdeveloped countries.

Mr. CHURCH and Mr. TOWER addressed the Chair.

Mr. ELLENDER. I shall yield in a moment.

It strikes me that that is a poor way to do business, and my feeling is that if this is permitted to continue it is going to do untold harm to this great bank we know as the Export-Import Bank. Personally, I would like to have a prohibition in the bill now to prevent the use of the Export Bank facilities to carry any loans which finance the sale of military hardware to any country.

But as I said in the beginning, I am a realist, and it is my hope that the Senate will at least adopt my very simple amendment. At least, this will afford me partial satisfaction.

Mr. CHURCH. Mr. President, will the Senator yield once again?

Mr. ELLENDER. I yield.

Mr. CHURCH. Mr. President, I commend the Senator for the amendment he has offered.

We have spoken of two ways in which the blindfold has been applied. The public is blindfolded by the confidential nature of loans. The bank is blindfolded because it does not know to what countries the so-called "county x" loans are being made. But there is a third way the blindfold is being applied, and that is to the Congress itself.

The Senator pointed out that it was never the intention of Congress that the Export-Import Bank should become a vehicle for underwriting military sales. It came as a surprise, indeed, a shock, to the Congress to discover suddenly that in excess of $600 million worth of Export-Import Bank credit had been extended to finance these sales of military hardware to underdeveloped countries.

Mr. TOWER and Mr. MUSKIE addressed the Chair.

Mr. ELLENDER. Mr. President, I have the floor. I shall yield in a moment.

Mr. CHURCH. I think the Senator in his speech heretofore has underlined what had been the general congressional understanding; and I think that the hearings in both the Senate and the House underscored the fact that this revelation came as a considerable shock to most Members of Congress.

Mr. President, in that connection, I wish to read into the RECORD at this point an editorial that appeared in the Washington Post in general support of the position being taken by the distinguished Senator from Louisiana. I think it is an extremely cogent criticism of the action taken by the committee:

PROMOTING ARMS EXPORTS

Instead of acting to take the Export-Import Bank out of the business of financing exports of armaments, the Senate Banking Committee reported out a bill that will actually deepen the bank's involvement in that dangerous traffic.

Several of the Committee's amendments to the authorization bill, which would raise the bank's lending authority to $13.5 billion, purport to limit the financing of arms for the less-developed countries, the so-called "country-x" loans. Loans to the less-developed countries would be made at the request of the bank's lending authority and would have to be reported to the House and Senate within 30 days.

The only advance achieved by these provisions is to make Congress privy to the secret loans *after* they are made.

Mr. President, as an aside at this point, here we have first the public blindfold, then the Bank blindfold, and finally, the congressional blindfold, and the only thing Congress proposes to do about it is to say, "Please take the blindfold off and tell us what you have done, after you have done it, so we will not be submitted to the indignity of being led blindly down the primrose path."

Mr. President, I continue to read the editorial:

In setting the limit at 7.5 per cent of the Eximbank's authorization, the Committee would permit the "country-x" loans to rise from the present level of $604 million to more than $1.1 billion. And as outstanding loans are repaid, fresh credits would be extended. Moreover, since the Committee failed to provide a tight definition of a less-developed country, there is nothing to prevent the bank from regarding some poverty stricken state in South America or Africa as "developed" in order to finance its arms purchases.

The financing of arms exports, where necessary to advance this country's interests, should be accomplished within the framework of treaty organizations, not surreptitiously by an agency that was established for promotion of commercial exports. Congressmen on both sides of the political aisle believe that Eximbank's activities are incompatible with the maintenance of world peace.

Sen. Allen J. Ellender has raised a strong voice in opposition and it is to be hoped that he and others will insist on a genuine arms-financing prohibition when the bill reaches the Senate floor.

Mr. President, I think that is what the Senator has done with his amendment. I commend him strongly for it. The case he makes for it is quite irrefutable on the facts. The Senator will have my support.

Mr. ELLENDER. I thank the Senator. I yield to the Senator from Texas.

Mr. TOWER. Mr. President, I wish to point out that from the standpoint of sound banking practice this is one of the soundest things the Bank could do because the loan is guaranteed. I do not know how many of the other transactions are guaranteed, but these are.

Mr. ELLENDER. By whom?

Mr. TOWER. The Department of Defense. From the standpoint of the operation of the Bank that is not an unsound banking practice.

Now, beyond that, as the Senator from Idaho has already pointed out, we have removed this so-called blindfold on the Congress by requiring a report; further, we placed a ceiling amount on what can be loaned in this matter; and we have imposed additional restrictions.

Mr. ELLENDER. However, all of this will be done after the loans are made, as the Senator pointed out. It would not be submitted to us. We will not have anything to say about it.

As I expect to point out later, the Department of Defense can make loans now if they desire, but they have to come to Congress for the money. It will be possible, if the revolving fund goes through, for the moneys we are now appropriating for the Export-Import Bank to be used to finance over $1 billion without it showing in the public debt at all. It is backdoor financing and backdoor financing of the rankest kind.

Mr. President, I plead not only for this amendment but, I say also, unless we take steps now to curb the sale of military hardware through the use of Export-Import Bank facilities, eventually we are going to destroy this great Bank.

Mr. TOWER. I do not see what this contributes to the destruction of the Bank when it is guaranteed by the Department of Defense——

Mr. ELLENDER. Who is the Department of Defense? It is all Government. The Government is guaranteeing its own debts. That is what is happening.

Mr. TOWER. It guarantees insurance to the Bank against bad debts, so the Bank is in no jeopardy.

Mr. ELLENDER. As I pointed out a while ago, the guarantee provisions have been put in the Foreign Assistance Act so that Mr. Linder can sit back and say, "Well, I am satisfied now that the rules and regulations under which we are to make the loans have been satisfied."

In my opinion, this provision was put in the Foreign Assistance Act merely to make it possible for the Export-Import Bank administrator to say that this is a good loan and is in accordance with our rules and regulations.

Mr. TOWER. But the Export-Import Bank has nothing to do with the decision to make the loan. It is not an executive decision.

Mr. ELLENDER. Insofar as loans being made to developed countries are concerned the Bank does have a say; the loans are made directly by the Export-Import Bank. But as I said, it is only since the guarantee provisions were put in the law in 1964—when Mr. McNamara told me in committee that this guarantee fund was going to be used in order to induce commercial banks to get into the business of furnishing capital to sell to the less-developed countries—that the Bank became indirectly involved since 1964, only $62 million has been financed by private banks. On the other hand, the Export-Import Bank has financed sales of military hardware to the less-developed countries totaling $604 million.

Mr. TOWER. To what extent do commercial banks want these loans?

Mr. ELLENDER. I do not know, but Mr. McNamara represented to us that the sales would be made through commercial banks in this country and not the Export-Import Bank.

Mr. MUSKIE. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I am happy to yield to the Senator from Maine for a question.

Mr. MUSKIE. I was interested in the colloquy between the distinguished Senator from Louisiana and the distinguished Senator from Idaho. I am not a member of the Foreign Relations Committee. I am not a member of the Appropriations Committee. I am a Senator who undertakes an interest in what is being done in these areas over the years. Looking at the legislation which was enacted in 1964 by a Congress, of which I was a Member, legislation which certainly came to the attention of the Foreign Relations Committee, we authorized the guarantee of loans for the sale of arms to less-developed countries.

More than that, it is quite clear that in 1964, it was with the knowledge of Congress as a whole, at least constructive knowledge, and I assume of the Foreign Relations Committee, that the amendment to the act of 1965 was designed specifically to relate the program to the Export-Import Bank.

I read from the report of the Committee on Foreign Affairs of the House in 1965:

> Section 201(f) amends section 509(b) of the act which relates to the administration of guarantees issued in conjunction with the military sales to exempt guarantees issued to agencies of the U.S. Government from the requirement of fees, and premiums to be charged in connection with the issuance of guaranteed contracts.
>
> This exemption is primarily designed to apply to the Export-Import Bank which at present is the only U.S. Government agency expected to be affected by it.

Mr. ELLENDER. In 1965?

Mr. MUSKIE. This is the 1965 act. The Department of Defense guaranteed loans according to the record which I have here. Beginning in fiscal 1966, they amounted to $237.7 million. In 1967, $353.1 million. In 1968, through July 28, 1967, $13.5 million—for a total of the $604 million which we have been discussing.

So that here in the 1964 and 1965 acts, as I read them, Congress knew about it, authorized it, and knew that the Export-Import Bank was involved. It was subsequent to the enactment of that legislation that these transactions took place; yet today I am told, that this was done completely without our knowledge, that it was done, somehow, behind our backs, without our knowledge, without our approval, and without our authorization. I am puzzled. I certainly would like to have an explanation from the two gentlemen more closely associated with the committee than I am.

Mr. ELLENDER. As I pointed out a while ago, I did not become suspicious of what was happening, particularly when Mr. McNamara told us in committee that the Export-Import Bank fund was chartered for the purpose of extending credit for the procurement of military weapons——

Mr. MUSKIE. I must say to the Senator that the act is certainly more authoritative than anything from Mr. McNamara.

Mr. ELLENDER. Knowing the history of the Export-Import Bank and what it did in the past, I was not suspicious until we found it out during the past year.

Mr. MUSKIE. If the Senator will yield. Part of the history of the legislation to which I have referred, the Senator has ignored.

Mr. ELLENDER. That was from the House report.

Mr. MUSKIE. I am referring to 201(f) of the act in the House committee report which I assume must be part of the conference discussion on such an important policy matter.

Mr. CHURCH. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. CHURCH. I do not know if anything I said gave the impression that I thought the arms transactions of the Export-Import Bank have been illegal.

Mr. MUSKIE. I am not suggesting that the Senator said that.

Mr. CHURCH. We know how our system works. Our system works on the basis of what we are told, to a very large degree. Our Government is the largest and most complicated in all of history. We have executive departments involved in detailed transactions of every description all over the world. We in Congress act on the inofrmation they supply. To a large extent, we must depend upon the executive departments to inform us.

Everyone who has had an insurance policy knows the difference between the large and the small print, and has encountered the problem, when the time came to collect, of discovering that something in the small print negated the coverage.

Mr. MUSKIE. Will the Senator from Idaho yield at that point?

Mr. CHURCH. I want to make my point first. The Senate operates within the same kind of framework. We depend, for our information, upon the major spokesmen of the executive branch. When they come to us to explain what they want, what their programs and objective are, we must rely upon their representations. It is true, of course, that what was done was legal, but it does not follow that Congress had any reason whatever, on the basis of testimony presented to our committees, to anticipate that $604 million would be financed through the Export-Import Bank to assist in the disbursement of arms to the less developed countries of the world. That is why there was such a ruckus in both Houses when these facts came to light.

This is the real argument that is being made by the Senator from Louisiana. We were misled, not on the basis of the fine print of the law, but, rather, on the basis of the representations which were made, and on which we relied in good faith.

In that connection, I would say we were misled in still another way. That has to do with the way interest rates on these sales are actually being subsidized by the Department of Defense, in order to further promote their consumation through the Export-Import Bank.

I ask unanimous consent to include in the RECORD an excellent article by Mr. Neil Sheehan, which appeared in the New York Times on Monday, August 31, which explains the way the interest rate subsidy has been arranged.

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

UNITED STATES SUBSIDIZES INTEREST RATES ON ARMS SALE LOANS

(By Neil Sheehan)

WASHINGTON, July 30.—The Defense Department has apparently been subsidizing the interest rates on its arms sale loans to underdeveloped countries by charging the recipients lower rates than it pays to the Export-Import Bank for money it borrows.

In the fiscal years 1966 and 1967, the Defense Department made $591-million in so-called country-X loans to 14 developing countries on a five-to-seven-year repayment basis.

An analysis of these loans shows that in a number of cases the recipients are paying interest rates two or more percentage points below what it has cost the United States Treasury to borrow money for comparable lengths of time in recent years.

Under the country-X procedure, the Export-Import Bank opens a line of credit to the Defense Department that the Pentagon's arms salesman, Henry J. Kuss, Jr., then uses to finance the sale of American arms.

The Defense Department guarantees the loans with its $383-million revolving arms sales credit fund under a law that states that only 25 per cent of the full value of the loan need be covered by money from the fund.

"NORMAL" INTEREST CITED

In testimony before the Senate Banking and Currency Committee last Tuesday, Deputy Secretary of Defense Paul H. Nitze said the "normal" interest rate for such loans was 5½ per cent.

Data obtained from reliable sources disclose that only four of the 14 recipients are paying interest rates of 5½ per cent, although these four borrowers—Saudi Arabia, Iran, Argentina and Brazil—account for the major portion of the $591-million in loans—$417 million.

In those four instances, however, the interest rates are mixed, apparently on different slices of credit, and vary from 3½ to 5½ per cent.

Iran, which received the largest credits, $210-million, is paying the Pentagon 4 to 5½ per cent interest, while the Pentagon is paying the Export-Import Bank 4⅞ to 5½ per cent.

Saudi Arabia, which received the second largest credits, $143-million, is paying the Defense Department 5 1/10 to 5½ percent interest, while the Pentagon is paying the bank a straight 5½ per cent interest rate.

Five of the recipients—Jordan, Morocco, Pakistan, India and Venezuela—are paying the Defense Department straight interest rates of 3 per cent on a total of $53-million in loans. In these five cases the Pentagon is paying the Export-Import Bank interest rates from 4⅞ to 5½ per cent.

In one instance, where a small loan of $1-million was made to Chile, the Pentagon is apparently making a little money by charging Chile a 5 per cent interest rate while paying the bank 4⅞.

Israel has apparently been another special case. It received loans of $88-million over both fiscal years at interest rates from 3½ to 5 per cent, while the Pentagon paid the bank interest varying from 3½ to 5½ per cent.

The Israeli case was the only instance in

which the Export-Import Bank lent the Pentagon any money at interest as low as 3½ per cent.

The remaining three borrowers—Malaysia, Taiwan and Peru—obtained a total of $25-million in loans at interest varying from a low of 3 to 4 per cent for Malaysia, which received $11-million, to a straight 5 per cent for Peru, which obtained $4-million.

In these three cases the Pentagon paid the bank interest varying from 4⅞ to 5½ per cent.

During the current fiscal year, the Defense Department intends to make $256-million more in country-X loans from the Export-Import Bank to underdeveloped countries for the purchase of American armaments.

No breakdown by individual country is available. But a regional breakdown shows that the majority of the loans, $181-million, will be made to countries in the Middle East, India and Pakistan, apparently because of the intense competition between the United States and the Soviet Union for political influence in these regions.

OTHER LOANS PLANNED

In addition, the Pentagon plans to loan $25-million to African countries for arms purchases, $32-million to Latin-American nations and $18-million to Far Eastern countries.

Besides the $591-million in country-X loans over the last two fiscal years, the Defense Department has made direct arms loans to 12 underdeveloped countries.

These countries were also recipients of country-X loans over the last several years from the Pentagon's revolving arms sales credit fund. The loans were made at interest rates similar to those for country-X loans from the Export-Import Bank.

Israel received the largest credits, $54-million, and Iran the second largest, $41-million. The other 10 recipients were Morocco, $3-million; Jordan, $6-million; Pakistan, $3-million; India, $41-million; Taiwan, $2-million; Malaysia, $5-million; Argentina, $1-million; Brazil, $10-million; Venezuela, $19-million, and Peru, $1-million.

The following is a table of the 14 recipients of country-X loans in the fiscal years 1966 and 1967, the approximate amounts in each case and the rates of interest paid by the borrowers and by the Pentagon to the Export-Import Bank:

[Amount in millions]

| Recipient | Amount [1] | Interest paid by recipient | Interest paid by United States to bank |
|---|---|---|---|
| Iran | $210 | 4–5½ | 4⅞–5½ |
| Saudi Arabia | 143 | 5 1/10–5½ | 5½ |
| Israel | 88 | 3½–5 | 3½–5½ |
| India | 18 | 3 | 5½ |
| Malaysia | 11 | 3–4 | 4⅞–5½ |
| Taiwan | 10 | 4⅞–4 9/10 | 4⅞–5½ |
| Brazil | 43 | 3½–5½ | 4⅞–5½ |
| Venezuela | 29 | 3 | 4⅞ |
| Argentina | 21 | 4⅞–5½ | 4⅞–5½ |
| Peru | 4 | 5 | 4⅞–5½ |
| Chile | 1 | 5 | 4⅞ |
| Jordan | 9 | 3 | 4⅞ |
| Morocco | 4 | 3 | 4⅞ |
| Pakistan | 3 | 3 | 5½ |

[1] The total loans do not add to exactly $591,000,000 because figures have been rounded off.

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

Mr. ELLENDER. I yield.

Mr. MUSKIE. Again, with all respect to the distinguished Senator from Idaho, whom I highly respect, he has not satisfield the Senator from Maine, who has not become involved in this matter through his committee responsibilities. The Senator is talking about something being done, not illegally, but without our knowledge. The small print to which the Senator referred was not issued by the administration, but by the Foreign Affairs Committee of the House.

The Senator from Louisiana has described his experience in fighting this amendment. The House insisted on it. So this must have been an issue which was thoroughly discussed in conference. The House's view was that this extension is primarily intended to apply to the Export-Import Bank, which at the present time is the only U.S. Government agency expected to be affected by it. I submit that is the congressional record; that congressional small print is a clear indication that we knew what we were doing; that we authorized the guarantee program; that we knew the Export-Import Bank was involved.

I hold in my hand another confidential document, which I am told—and if I am wrong I want to know it—is an example of the kind of detail which was given to the Appropriations Committee and to the Foreign Relations Committee on the identity of the X countries, on the terms of the loans, the amounts, and the description of the equipment sold.

Mr. ELLENDER. When was that?

Mr. MUSKIE. This is an illustration of the kind of information; this is not it directly, because it is classified and is in the files of the committees, I presume. But President Linder testified to us that this information was given to the Foreign Relations Committee of the Senate, to the Foreign Affairs Committee of the House, and to the Appropriations Committees of both Houses. If he was not telling the facts to our committee, which was not privy to that information, but if in fact that information and detail was given to these committees, then I cannot understand the argument being made this afternoon that the committees were kept uninformed. It may be that members of the committees did not have specific information which was kept in their files, but that is different from saying that the information had not been provided to them.

Mr. CHURCH. Mr. President, I think the Senator from Maine lets the executive branch off too easily regarding its responsibility to the Congress of the United States. If Congress had been informed as to what this was all about, what was the occasion for the sudden uproar in both Houses, which has filled the newspapers? It is not enough to slip the information to us in small print. The obligation is on the executive branch to properly inform the Congress.

I have yet to see any previous testimony disclosing the extent to which the Export-Import Bank was being used to finance the large-scale distribution of arms to the underdeveloped countries of the world. As a matter of fact, it was not until the staff of the Foreign Relations Committee began to look into this question in early January that we began to get some idea of the rapid growth and startling dimension of the program. It was then we commenced the course of inquiry which led both the Foreign Relations Committee and the Banking and Currency Committee and committees of the House of Representatives to look into the whole question. I think the uproar the disclosures caused in Congress is sufficient evidence to validate our argument that Congress was never adequately informed. We were, in truth, kept blindfolded.

It is the responsibility of the executive branch to keep Congress informed, and I find nothing in the record of this case that amounts to an adequate discharge of that responsibility.

Mr. MUSKIE. Will the Senator from Louisiana yield me 30 seconds?

Mr. ELLENDER. I yield.

Mr. MUSKIE. Of course, I cannot possibly judge what may satisfy any Senator on any question of fact as to the adequacy of information that would satisfy him, but again reading the title of this document, which I say is a pretty accurate identification as to the kinds and uses, it says:

Summary, Fiscal Year 1967, FMS Credit Programs by Country, Export-Import Bank and Private Bank Transactions, and Status of FMS Available Resources.

Mr. ELLENDER. Was that in 1967?

Mr. MUSKIE. In 1967; and I am told similar information was supplied with respect to 1966; 1966 was the year when these Department of Defense guaranteed loans were made.

Mr. ELLENDER. But it was not until 1966 that I found out about it.

Mr. MUSKIE. The information was available, if our information is correct, in 1966, and the authorization by statute was made by Congress in 1965.

Mr. ELLENDER. As the Senator from Idaho pointed out, I do not know of any Senator who was not surprised when he learned that the facilities of the Export-Import Bank were being used to finance the sale of arms to less-developed countries.

Mr. MUSKIE. I do not know whether that reflects on Senators or the administration.

Mr. ELLENDER. I know they were all surprised. I know the Members of the House were surprised. New hearings were suddenly called. As I said, I was aware of loans being made directly by the Export-Import Bank to countries like England and Italy, but in respect to the less-developed countries, I only found it out last year. I seized the first opportunity to offer the amendment which is pending.

As I said a while ago, if left to me, I would exclude any loans made by the Export-Import Bank to finance any sales abroad. Let it be done directly by the Department of Defense, and let the Department come before Congress each year and get the money in order to go into these transactions.

Mr. MUSKIE. May I ask the Senator one question?

Mr. ELLENDER. Yes.

Mr. MUSKIE. The Senator described the battle he waged in 1964 to strike this provision from the bill.

Mr. ELLENDER. There was no mention made about Export-Import Bank, because it was never intended that the Export-Import Bank be used.

Mr. MUSKIE. I understand, but may I finish my statement? The Senator has described his battle to defeat the very legislation which is the basis for the bank's activities. At that time there was no specific reference in the language to Export-Import Bank. I agree.

But the next year the amendment to

which I have referred was written, which identified Eximbank's activities, according to the House committee report, which must have been considered in conference. So I am curious as to why the Senator, who took such a vigorous interest in it in the first instance and must thus have had a motivation to follow the experience under it to a greater degree than any other Senator, should have been so surprised, in 1967, that Eximbank had become involved during that 3-year period.

Mr. ELLENDER. Mr. President, I do not wish to repeat what I said a while ago, but in the testimony given to the committee by Mr. McNamara, he indicated in no uncertain terms that commercial banks were to be used, not the Export-Import Bank. I quote again:

That bank—

Meaning the Export-Import Bank—

is not chartered for the purpose of extending credit for the purpose of procurement of military weapons.

That is Mr. McNamara speaking. That is what he said, and that stuck in my cranium. I discussed this with Mr. McNamara last year when hearings on the Foreign Aid bill were held by the Appropriations Committee and later in the year, during December of 1966 when I was in Santiago, Chile, I met the President of the Bank there, Mr. Linder, and I discussed the matter with him.

He told me about how these things were being done, and I took strong issue with his position. You could probably have heard us talk across the street, because, in my opinion, it was a violation of Mr. McNamara's stated intentions, and of the will of Congress.

In the congressional debates, in 1964, there was no mention of the Export-Import Bank, because we had been told that commercial banks would be used. The Eximbank never came into the picture at all.

Several Senators addressed the Chair.

Mr. ELLENDER. I yield to the Senator from Kansas.

Mr. CARLSON. Mr. President, I had not intended to get into this discussion, but for those who might read the RECORD in the future, it might be interesting to place in the RECORD certain information regarding the congressional authorization. This is taken from a Department of Defense publication entitled "Military Assistance and Foreign Military Sales Facts" of May 1967, published by the Office of the Assistant Secretary of Defense for Internal Security Affairs, and is not classified.

I shall read just one section, concerning the historical background of foreign military sales, found on page 25 of the brochure. I ask unanimous consent that the excerpts I have designated in the brochure be printed in the RECORD as a part of my remarks.

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

CONGRESSIONAL AUTHORIZATION

The basic legislation authorizing foreign military sales was the Mutual Defense Assistance Act of 1949, which followed U.S. ratification of the NATO Treaty of July 25, 1949. It provided for "reimbursable aid" and as such was the forerunner of the present Foreign Military Sales Program. Canada, Korea, Brazil, and the Netherlands were among the recipients in the first year of operation, FY 1950, with total sales of $13.1 million. Additional and amended authorizations were provided by the Mutual Securities Acts of 1951, 1954 and 1957 and by the Foreign Assistance Act of 1961 with its Amendments in 1962, 1964, 1965 and 1966. This series of legislation:

Authorized the sale of materiel from stock on payment after delivery.

Authorized procurements for sale pursuant to "dependable undertaking" arrangements.

Provided for the use of MAP funds for credit sales financing to countries eligible for grant aid.

Capitalized the Foreign Military Sales Fund, initially authorizing $175 million, with subsequent additions bringing the Fund to its present level (through FY 1967) of $383 million; authorized the reuse of payments received from foreign countries for further credit sale.

Authorized DoD to guarantee repayment to exporters, insurance companies, financial institutions or others who extend credit to foreign governments for the purchase of military materiel, the DoD establishing at the same time a 25% guaranty reserve.

Authorized the establishment of fixed prices to be paid by the purchaser when such is determined to be in the national interest.

Authorized the acquisition and disposition of evidences of indebtedness or ownership.

Provided that sales and exchange programs shall be administered so as to encourage regional arms control and disarmament agreements and to discourage arms races; in 1966 a ceiling of $85 million was set for the total amount of grant aid and sales to the American Republics.

Executive Branch policy has been consistent with the intent and objectives expressed in the Congressional legislation on this subject.

On May 9, 1963, the President indicated that ". . . it is essential that we make every effort to prosecute the program of selling U.S. equipment to our allies. Not only will this decrease the net outflow of gold from this country, but it also ties in our military aid to foreign policy."

On February 1, 1966, the President reported to Congress that "We will shift our military aid programs from grant aid to sales whenever possible—and without jeopardizing our security interests or progress of economic development. Military sales now exceed the dollar volume of the normal grant aid program. This not only makes a substantial favorable impact on the balance of payments, but it also demonstrates the willingness of our allies to carry an increasing share of their own defense costs."

CREDIT FINANCING

As shown on page 33, about 72% of the $11.1 billion in orders and commitments for FYs 1962–1966 was on a cash basis; the other 28% was financed by credit provided by private banks, the Export-Import Bank or by the Department of Defense. About three-fourths of such credit was provided to the developed industrial countries.

When a buying country cannot meet the requirements of private banks or the Export-Import Bank, the purchases can be financed by the Foreign Military Sales Account. This Account was capitalized by the Congress in the amount of $175 million in FY 58—and expanded since then to reach its present level (through FY 67) of $383 million. The Account is restored by country repayments; hence its informal name: FMS Revolving Fund.

As noted above, the Congress has authorized the Department of Defense to "guarantee" loans made by other private or public financing sources. Such a guarantee requires that 25% of the contractual liability be reserved for the payment of claims under such contracts. Congress also authorized the Department of Defense to make sales of evidences of indebtedness and to guarantee payment against any such instrument. As shown on page 36, total credit extended through this account during FY 1962–1966 was $756 million. An additional $384 million is expected to be extended during FY 1967.

Mr. CARLSON. It reads as follows:

The basic legislation authorizing foreign military sales was the Mutual Defense Assistance Act of 1949, which followed U.S. ratification of the NATO Treaty of July 25, 1949. It provided for "reimbursable aid" and as such was the the forerunner of the present Foreign Military Sales Program. Canada, Korea, Brazil, and the Netherlands were among the recipients in the first year of operation, FY 1950, with total sales of $13.1 million.

Additional and amended authorizations were provided by the Mutual Securities Acts of 1951, 1954 and 1957 and by the Foreign Assistance Act of 1961 with its Amendments in 1962, 1964, 1965 and 1966.

Mr. ELLENDER. That was dealing with Department of Defense authority.

Mr. CARLSON. Yes. Then, as to credit financing, the brochure states:

As shown on page 33, about 72% of the $11.1 billion in orders and commitments for FYs 1962–1966 was on a cash basis; the other 28% was financed by credit provided by private banks, the Export-Import Bank or by the Department of Defense. About three-fourths of such credit was provided to the developed industrial countries.

When a buying country cannot meet the requirements of private banks or the Export-Import Bank, the purchases can be financed by the Foreign Military Sales Account—

That is the revolving fund we are talking about today, and about which we have heard so much discussion in the Committee on Foreign Relations.

This Account was capitalized by the Congress in the amount of $175 million in FY 58—and expanded since then to reach its present level (through FY 67) of $383 million. The Account is restored by country repayments; hence its informal name: FMS Revolving Fund.

I mention that because this amount of $383 million is the figure they use when they make these 25-percent guaranteed loans on sales. That figure could easily reach $1 billion, as the distinguished Senator from Louisiana has stated. That is one of the problems that concerns us.

I support the Senator from Louisiana, after hearing much of the testimony and discussion in executive sessions on these sales. I think we ought to draw a line somewhere. The colloquy which has taken place today has indicated that Congress may not have been advised.

Perhaps that is true. I do not think they have been too anxious to divulge some of the operations that have taken place. As the Senator from Idaho has stated, much of the information is classified. We will not get into that.

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

Mr. ELLENDER. I yield to the Senator from Texas.

Mr. TOWER. Mr. President, this does appear on page 76 of the appendix of the budget for the impending fiscal year, 1968.

Mr. ELLENDER. For 1968?

Mr. TOWER. Yes.

Mr. ELLENDER. I thank the Senator.

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

Mr. ELLENDER. I yield.

Mr. CHURCH. Mr. President, I think it is fair to say that half of the Members of Congress had never heard of a "country X loan" until just a few weeks ago, when the press called attention to the matter. If the authority for doing it was somewhere in the small print, it was never presented to Congress in such form that most Senators and Representatives knew anything about it—including the members of the committees most closely concerned, the Banking and Currency Committee and the Committee on Foreign Relations. I believe this is unquestionably betrayed by the fact that now the Banking and Currency Committee itself has imposed a requirement that hereafter Congress shall be informed about these loans.

If there were no validity to our argument, why on earth should the committee impose that requirement? It is contained in the pending bill, for which the Senator from Maine now seeks our ratification. I think this is the best proof that what the Senator from Louisiana has argued about and what I have tried to argue is the hard, plain truth.

But I must go on to say that it does not reflect admirably upon Congress that, in these circumstances, all we should ask is that the blindfold be taken off, after we have been led down the path, so that if we cannot see where we are going, we will at least be shown where we have been. "Allow us to look backward," says the committee. "Tell us afterward what you have done, and we will be satisfied."

This is certainly a shocking abdication of congressional responsibility, it seems to me.

Mr. ELLENDER. Mr. President, I point out further that through these loans, the Department of Defense has been able to bypass the limitation that we in Congress have placed on providing military hardware for countries abroad.

When the foreign aid bill was before the Senate some years ago, I was instrumental in getting a limitation of $55 million placed on the amount of military assistance that may be made available to the countries of Latin America.

But now, through back-door financing the use of Export-Import Bank loans has thwarted the intent of Congress and made a shambles of the $55 million limitation.

The material I am about to read from is confidential. I will not mention the names of the countries, but I am permitted to give total amounts.

In fiscal year 1966, although there was a limitation of $55 million on grants of military assistance to the countries of Latin America, what did the Department of Defense do? It did not limit the aid to $55 million, but on the contrary made $77.2 million available, or $22 million more than the restriction put on by Congress.

I asked about this figure, was told that the amendment I introduced pertained to hardware and not to training. That is the excuse I got.

Mr. President, during that same year, 1966, when we gave grants aggregating $77.2 million, the total sales to the countries in Latin America were $38.1 million, and of that amount $24 million was financed through the Export-Import Bank.

Mr. President, that, in my opinion, violates the prohibition that Congress placed in the law to limit the amount of military hardware that we could make available to the countries in Latin America.

Let us see what happened in 1967. In 1967, the military grants for Latin America was $72 million, which was $17 million above the amount fixed in the law.

The sales of military hardware amounted to $29.6 million, and of that sum, $25.6 million was financed by the Export-Import Bank.

Mr. President, in my humble judgment this kind of financing simply is a violation of what Congress did when it limited the amount of military assistance to the countries of South and Central America. And I think the debates will show that the reason the limitation was placed in the law was to prevent an arms buildup.

However, by permitting the Export-Import Bank to finance the sales of arms to less developed countries we are doing something that may develop into an arms race between and among the countries of South and Central America.

Mr. President, when I was in South America last year, there were rumors that we had made available a certain number of airplanes to Argentina. What happened? Chile used its own funds—when we were giving them economic aid—and bought planes from England to counteract what we had done in Argentina.

Mr. President, if we continue this process of military grants and loans, it will no doubt, in my opinion, lead to an arms race which we will regret in the course of time.

Mr. President, when the Foreign Assistance Act was passed to provide for assistance to Africa, I had an amendment included in the bill to limit the grants of military assistance to that area of the world.

I note here that in 1966 the Defense Department lived within the limitation, and the amount of military grants for 1966 was $23.9 million. However, the figures show that in 1967 the military grant aid was $31.8 million, which was $6,800,000 above the $25 million limitation that was included in the law. In addition to these grants, the total sales amounted to $16.5 million, $14.2 million of which was financed by the Export-Import Bank.

There has been mention, I think on two or three occasions, concerning the sales made to the Middle Eastern countries. There was no limitation imposed on sales to Asia or the Middle Eastern countries, but the grants we made to the countries of the Middle East in 1966 amounted to $334,900,000. The amount of the total sales to the countries of the Middle East was $254.5 million, of which $160.7 million was financed by the Export-Import Bank.

In 1967 the amount of grants to the countries of the Middle East and Asia was $240,600,000—and of course that excludes South Vietnam, Cambodia, Laos, and South Korea.

The amount of sales was $269 million. In other words, the sales exceeded the amount of grants. And, of that $269 million, $233.7 million was financed by the Export-Import Bank.

There is no doubt in my own mind that if we permit these sales to continue, sooner or later those countries will get in trouble, and they will be fighting with each other. Uncle Sam will be asked to go there and give assistance and spend as we are now spending in South Vietnam.

Mr. President, I yield to the distinguished Senator from Missouri.

Mr. SYMINGTON. Mr. President, in support of the position being taken with respect to the amendment having to do with the financing of military equipment by the Export-Import Bank, I would read to the Senate from an editorial entitled "How Willing a Handmaiden?" published in the Journal of Commerce of Thursday, August 3.

It is a long editorial, so I will read only a part, as follows:

HOW WILLING A HANDMAIDEN?

* * * * *

The issue is best looked at in perspective. When the Export-Import Bank was established in 1934, its one primary purpose, as established by Congress, was to promote American exports via the extension of short-term credits.

It was not then viewed as a potential economic arm of American foreign policy, much less a political arm. Its sole function was to assist commercial exporters who required some kind of assistance if they were to secure footholds in certain foreign markets, most of them initially in Latin America, where credit and purchasing power had been badly battered during the early years of the depression. Whatever aid the architects of Washington's international economic policy could count upon via this institution would be incidental in some cases and indirect in all others.

For 30 years the Export-Import Bank functioned as a prudent and even profitable institution. At times since World War II it has found itself called upon to undertake some ventures it found risky on economic grounds but which Washington wanted for political reasons.

After Congress voted to expand its field in 1945, Eximbank began undertaking longer term project credits and, in effect, became a sort of government-backed investment banker. However, it did not compete with private capital and limited its activities to commercially sound projects in all instances where it was free to do so.

Until the Senate Foreign Relations Committee hinted at the end of this past January that some screening of Eximbank's role in U.S. arms sales was in order, little occurred to cloud the bank's image as a discrete, nonpolitical banking institution devoted to the encouragement of American exports under strictly businesslike procedures.

As it happened, little attention was paid earlier in the year to the Foreign Relations Committee's suggestion. Only within the past few weeks has it become generally known that many American arms sales have been handled via the Eximbank under guarantees from the Defense Department, or that the Defense Department has been issuing these

guarantees at higher rates of interest than the bank gets from its foreign clients.

In all fairness it must be admitted that this does not in itself constitute any outrageous act of deception on the part of the administration. This country has given away so much, bartered so much and sold so much for blocked foreign currencies under Public Law 480 and other devices that a shading of interest rates on foreign arms purchases adds up to pretty small potatoes. Or it would if the Export-Import Bank hadn't been caught in the middle.

This is the whole point. Why, to begin with, was it considered necessary to drag the Export-Import Bank into a series of politico-military deals which, if discovered, would inevitably compromise the bank's stature as a purely business affair?

Why could not the Department of Defense have handled the entire financing on its own? After all, it has the funds or has access to them; otherwise it couldn't guarantee repayment. Or why couldn't it have been handled through the Treasury? Or perhaps by a totally new (and quite unpublicized) entity responsible to both? Costs would not necessarily have been appreciably higher and if and when the whole mechanism was exposed to public view, an institution as useful and respected as the Export-Import Bank would not suddenly find itself the target of those who disapprove of the whole business.

As matters stand, the Export-Import Bank is now likely to find itself on a rather hot Congressional griddle. Its requests are being questioned and its whole purpose in life is being questioned, too. It will be some time yet before its non-political status can be restored in the eyes of foreigners as well as Americans. The more the pity because the whole thing—no matter how convenient for the Pentagon—was unnecessary.

This editorial was called to my attention by one deeply interested in the Export-Import Bank, but no longer with either the Government or the Bank.

For the reasons so well expressed in said editorial, and because of my very deep interest in the security and well-being of the country, I intend to support the amendment of the distinguished senior Senator from Louisiana.

I thank the Senator for yielding.

Mr. ELLENDER. Mr. President, I am deeply indebted to my good friend, the Senator from Missouri, for reading the editorial. It summarizes what I was about to say in conclusion.

My interest in limiting the authority of the Export-Import Bank to engage in the financing of military equipment and armaments is based upon a belief that this economic institution should not become perverted from its original objectives.

Today we see the Export-Import Bank engaged in the financing of military exports, which is a perversion and a contradiction of its efforts to further the economic development of those less-developed nations with which we trade.

This perversion has been accomplished supposedly as a means of assisting our balance-of-payments position but, in reality, these transactions are of very minor importance. It has also been justified on the grounds that we must send arms abroad because of the activities of Russia and Red China. If this is true, and if a valid foreign policy objective can be met by the export of arms to less-developed nations, the Department of Defense has ample authority on hand to accomplish this end without involving the Export-Import Bank in this program.

Of course, this will mean that DOD would have to come to Congress each year for an appropriation. This would insure an annual review by Congress and would permit it to be fully informed about contemplated sales. Surely this is far better than the back-door approach of financing military sales through the Export-Import Bank. And of finding out about sales 30 days after they have been consummated.

Mr. PROXMIRE. Mr. President, I support the Ellender amendment because it corrects a principal error in S. 1155 which error permits funds of the Export-Import Bank to be used to finance the sale of expensive military hardware to underdeveloped countries. I find it disturbing that the Bank's funds have been used for this purpose for the last 2 years under a heavy shroud of secrecy. The committee report includes a statement of individual views on this subject by Senator WILLIAMS of New Jersey and myself. In addition, Senator SPONG has written individual views expressing a similar criticism.

I will not take the time of the Senate to list all of the reasons why I feel the Export-Import Bank should not be in the business of financing arms to underdeveloped countries, but I will briefly state a few reasons.

First of all, I believe the Bank's participation in the country X loan program is a flagrant abuse of its back-door spending authority. I am not arguing that all back-door spending should be abolished. But certainly a program as controversial and sensitive as the country X program should be subject to the closest possible scrutiny and control by the Congress. I see no reason why the entire program cannot be financed through direct appropriations so that the Foreign Relations and Appropriations Committees can exercise better control. Economic development loans under the Alliance for Progress program must submit to the rigors of the annual appropriations process. But loans for fancy military jets can be financed through back-door spending. To me, this makes little sense.

Second, the Bank should be prohibited from financing arms to undeveloped countries because such loans are incompatible with its basic purpose. The Bank was set up as an independent agency to further international trade and finance U.S. exports. The country X program can only be justified, if at all, on foreign policy grounds. The Bank was not set up by the Congress to carry out foreign policy or to become a minor adjunct of the State Department. It was not set up as an agent of the Pentagon to sell arms. However, considering the fact that 36 percent of the Bank's loans go to finance military equipment sales, it is clear the Bank has strayed from the original purpose. I think it is time to put the Bank back in the business for which it was originally intended.

Third, continuing the Bank in the country X program is contrary to the action recently taken by the Foreign Relations Committee which recently voted 12 to 6 to abolish the program. The Export-Import Bank can only extend military credit to undeveloped countries if the loans are guaranteed by the Pentagon. Otherwise, the risk would be too great. Thus, by abolishing the guarantee authority of the Pentagon, the Foreign Relations Committee's action would effectively preclude the Bank's funds from being used for country X loans. However, in voting to continue the Bank's participation in the country X program, the Banking and Currency Committee seems to be saying that it has a better grasp of foreign policy than the Foreign Relations Committee.

Mr. President, I am not arguing here that the Senate should end all arms shipments to underdeveloped nations. I am saying, however, that there are ample procedural grounds for prohibiting the Export-Import Bank from being used as an instrument to carry out such a policy. The traditional independence and mission of the Bank should not be perverted out of fiscal expediency. The charter of the Bank should not be bent to further the aims of the Pentagon.

Mr. President, I understand the distinguished and able gentleman from Louisiana later intends to offer an amendment restoring the Bank to its originally intended purpose. I would be happy to support such an amendment and hope that it would be adopted by the Senate.

Mr. ELLENDER. 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.

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## ORDER OF BUSINESS: PROGRAM—UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, under the order entered previously, the Senate will convene tomorrow at 11 a.m. After consultation with the interested Senators and the leadership on the other side, I ask unanimous consent that at the conclusion of the remarks of the distinguished Senator from Wyoming [Mr. HANSEN], who has already received permission of the Senate to speak for not more than 1 hour after the approval of the Journal, there be a brief period for the transaction of routine morning business, to extend up to 12:15 p.m.

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

Mr. MANSFIELD. Mr. President, I ask unanimous consent that beginning at 12:15 debate on the pending bill be limited to 2 hours on the Ellender amendment, and 2 hours on the Dirksen amendment, the time to be equally divided between the sponsors of the amendments and the distinguished manager of the bill, the Senator from Maine [Mr. MUSKIE], and that in addition 4 hours of debate be allowed on the bill. Mr. President, the agreement will be under the usual stipulation covering rule XII.

The yeas and nays have been ordered on the Ellender amendment and unless additional time is requested—and if it is, it will be granted—the Senate should be on notice that there will be a rollcall vote around 2:15 p.m.

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

Mr. MANSFIELD. I yield.

Mr. HOLLAND. Mr. President, I wish to ask the majority leader if his request precludes the offering of other amendments.

Mr. MANSFIELD. No, not at all. We only know of these two amendments.

Mr. HOLLAND. I have an amendment I am thinking of offering. I am not asking for a time limitation at this time, but I wanted to be sure that I am not precluded from offering the amendment.

Mr. MANSFIELD. Not all all. If the Senator is considering offering an amendment he will find the leadership most agreeable.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered.

The unanimous-consent agreement, subsequently reduced to writing, is as follows:

UNANIMOUS-CONSENT AGREEMENT

*Ordered*, That on Wednesday, August 9, 1967, after the approval of the Journal, the Senator from Wyoming [Mr. HANSEN] be recognized for not to exceed one hour, to be followed by a period for the transaction of routine morning business with the usual three-minute limitation not to exceed 12:15 p.m.

*Ordered further*, That during the further consideration of S. 1155, a bill to amend the Export-Import Bank Act of 1945, as amended, etc., debate on the pending amendment (by Mr. ELLENDER), No. 245, and an amendment to be offered by the Senator from Illinois [Mr. DIRKSEN], No. 246, be limited to 2 hours each, to be equally divided and controlled by the authors of the amendments and the Senator from Maine [Mr. MUSKIE], respectively.

*Ordered further*, That, on the question of final passage of the said bill, debate shall be limited to 4 hours, to be equally divided and controlled, respectively, by the majority and minority leaders.

## ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, if there is no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 11 o'clock tomorrow morning.

The motion was agreed to; and (at 5 o'clock and 16 minutes p.m.) the Senate adjourned until tomorrow, Wednesday, August 9, 1967, at 11 a.m.

## NOMINATIONS

Executive nominations received by the Senate August 8, 1967:

U.S. ADVISORY COMMISSION ON INTERNATIONAL EDUCATIONAL AND CULTURAL AFFAIRS

The following-named persons to be members of the U.S. Advisory Commission on International Educational and Cultural Affairs for terms expiring May 11, 1970, and until their successors are appointed and have qualified:

Dr. Homer Daniels Babbidge, Jr., of Connecticut.

Dr. Abram L. Sachar, of Massachusetts.

Dr. Robert A. Scalapino, of California.

PUBLIC HEALTH SERVICE

The following-named persons to be members of the Board of Regents, National Library of Medicine, Public Health Service, for terms expiring August 3, 1971:

Frederick Herbert Wagman, of Michigan, vice William Neill Hubbard.

Robert Higgins Ebert, of Massachusetts, vice Herman Howe Fussler.

MISSISSIPPI RIVER COMMISSION

Brig. Gen. Willard Roper, U.S. Army, to be a member of the Mississippi River Commission, under the provisions of section 2 of an act of Congress approved June 28, 1879 (21 Stat. 37) (33 U.S.C. 642), vice Maj. Gen. George H. Walker, reassigned.

IN THE MARINE CORPS

The following-named officers of the Marine Corps for temporary appointment to the grade of brigadier general, subject to qualification therefor as provided by law:

| | |
|---|---|
| Edward J. Doyle | Edwin H. Simmons |
| Leo J. Dulacki | Robert B. Carney, Jr. |
| Harry C. Olson | Herman Poggemeyer, Jr. |
| Carl W. Hoffman | William C. Chip |
| William G. Johnson | Ralph H. Spanjer |
| Henry W. Hise | |

# HOUSE OF REPRESENTATIVES

TUESDAY, AUGUST 8, 1967

The House met at 12 o'clock noon.

Rabbi Louis Gorod, Congregation Beth Shalom, Clearwater, Fla., offered the following prayer:

Our Heavenly Father, we thank Thee that through Thy precious heritage of freedom, we enjoy our lives. We seek Thy guidance and inspiration for Thy servants who have been chosen to direct the affairs of our Nation. Give, we pray, special wisdom, guidance, and strength to our President, the Members of Congress, and all our national leaders. Grant them, we pray Thee, continued courage and wisdom in their daily deliberations. May they be inspired with Thy divine presence so that they can feel equal to their great responsibilities to lead all nations great and small in the struggle and striving for peace with justice and integrity.

Inspire us daily to open the windows of our souls toward Thee, and may our whole life be filled with the splendor of Thy presence and a sense of Thy divine grace and glory. Under Thy guiding spirit, may the world which, through the advance of technology has become a close neighborhood, now through spiritual and moral forces, become a true brotherhood.

We pray Thee, O Lord, make our Nation an instrument of compassion and a force for righteousness among the nations of the world. Move our hearts and direct our minds to the fulfillment of Thy glorious purpose, so that the sound of battle and the terror of war for all mankind the world over may soon cease. May this land, under Thy providence, be an influence for good throughout the world, uniting men in peace and freedom, and helping to fulfill the vision of Thine inspired seer:

*Nation shall not lift up sword against nation, neither shall men learn war anymore.*

Amen.

## THE JOURNAL

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

## MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Geisler, one of his secretaries, who also informed the House that on August 4, 1967, the President approved and signed bills of the House of the following titles:

H.R. 1532. An act for the relief of Dr. Alfredo A. Navarro;

H.R. 1612. An act for the relief of John Joseph Shea;

H.R. 1814. An act for the relief of Giovanni Francesco Urga-Ferraro;

H.R. 3522. An act for the relief of Dr. Rafael F. Suarez;

H.R. 5224. An act for the relief of Dr. Guillermo Fresco De Jongh;

H.R. 5862. An act for the relief of Dr. Juan F. Chaves;

H.R. 5996. An act for the relief of Dr. Bernardino D. Marcelo; and

H.R. 9080. An act for the relief of Federico de la Cruz-Munoz.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 922. An act for the relief of Euphemia King Hartley, James Hartley, and James Holmes Hartley; and

S. 1004. An act to authorize the construction, operation, and maintenance of the central Arizona project, Arizona-New Mexico, and for other purposes.

## DISTURBANCE IN THE VISITORS' GALLERY

Mr. SIKES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. SIKES. Mr. Speaker, yesterday the visitors' gallery of the House of Representatives was invaded by a strange assortment of characters on an expense-paid lark. They were led by professional agitator types most of whom undoubtedly are organized, trained, and paid to foment unrest and promote disturbances which lead to riots.

It was necessary that they be dealt with firmly, otherwise their next invasion might well have been the floor of the House or the Senate floor, or the White House.

Fortunately, we have a Capitol Police Force which accepts its responsibility to maintain order and to uphold the law. This they did yesterday and for this they should have the applause and apprecia-