hearing the views of the government's military and civilian experts. We shall continue to do what is necessary to meet the threat the Vietnamese and their allies face.

"Third, you raise the question whether a war that may devastate much of the countryside can lead to the stable and prosperous Viet-Nam we hope for.

"First, it is an error to suggest that the fighting in Viet-Nam has devastated 'much of the countryside.' There has been too much destruction and disruption—as there is in any war. And we deeply regret the loss of life that is involved—in the South and in the North, among both soldiers and civilians.

"But devastation has been far less than on the conventional battlefields of World War II and Korea. If peace could come to South Viet-Nam today, I think most people would be amazed at its rapid recovery. For the Vietnamese are intelligent, energetic and ambitious people. And they are determined to see their country prosper. I am confident that they can achieve that end—if they but have the chance to do so, in peace and in their own way.

"That day cannot come too soon.

"You also suggest that there are 'apparent contradictions' in the American position on efforts to achieve a negotiated settlement.

"We have said that there will be no difficulty in having the views of the Viet Cong presented at any serious negotiation. The details of how this might be done can be discussed with the other side; there is little point in negotiating such details with those who cannot stop the fighting.

"We have made it clear that we cannot accept the Liberation Front as the 'sole' or 'only legitimate voice' of the Vietnamese people. Yet that is what the Front has said it is. The Buddhists, Catholics, Cao Dai, Hoa Hao, ethnic Cambodians, the almost a million refugees who fled from North Viet-Nam to the South in 1954–55, and the Montagnards are not prepared to have the Liberation Front as their spokesman. The capacity of the Government and people of South Viet-Nam to conduct the election of the Constitutional Assembly in September 1966, despite the opposition of the Viet Cong, made clear that the VC are a small minority in the country, determined to convert their ability to organize for terror into domination over the majority. Those now enrolled with the Viet Cong should be turning their minds in a different direction. They should be asking: 'How can we end this war and join as free citizens in the making of a modern nation in South Viet-nam?

"We know that the effort at armed conquest which we oppose in Viet-Nam is organized, led, and supplied by the leaders in Hanoi. We know that the struggle will not end until those leaders decide that they want it to end.

"So we stand ready—now and at any time in the future—to sit down with representatives of Hanoi, either in public or in secret, to work out arrangements for a just solution.

"You state correctly that we have a commitment to the right of self-determination of the people of South Viet-Nam. There is no ambiguity whatsoever. We shall abide by the decision of the Vietnamese people as they make their wishes known in free and democratic elections. Hanoi and the Liberation Front do not agree.

"You also suggest that there is disparity between our statements and our actions in Viet-Nam, and you refer to recent reports of the results of our bombing in North Viet-Nam.

"It is our policy to strike targets of a military nature, especially those closely related to North Viet-Nam's efforts to conquer the South. We have never deliberately attacked any target that could legitimately be called civilian. We have not bombed cities or directed our efforts against the population of North Viet-Nam.

"We recognize that there has been loss of life. We recognize that people living or working in close proximity to military targets may have suffered. We recognize, too, that men and machines are not infallible and that some mistakes have occurred.

"But there is a vast difference between such unintentional events and a deliberate policy of attacking civilian centers. I would remind you that tens of thousands of civilians have been killed, wounded, or kidnapped in South Viet-Nam, not by accident but as the result of a deliberate policy of terrorism and intimidation conducted by the Viet Cong.

"We regret all the loss of life and property that this conflict entails. We regret that a single person, North or South, civilian or soldier, American or Vietnamese, must die.

"And the sooner this conflict can be settled, the happier we and the Vietnamese people will be.

"Meantime, we shall continue to do what is necessary—to protect the vital interests of the United States, to stand by our allies in Asia, and to work with all our energy for a peaceful, secure and prosperous Southeast Asia. Only by meeting these commitments can we keep on this small and vulnerable planet the minimum conditions for peace and order.

"Only history will be able to judge the wisdom and the full meaning of our present course—in all its dimensions.

"But I would close by sharing with you a hope and a belief. I believe that we are coming towards the end of an era when men can believe it is profitable and, even, possible to change the *status quo* by applying external force. I believe those in Hanoi who persist in their aggressive adventure—and those who support them—represent ideas and methods from the past, not the future. Elsewhere in the world those committed to such concepts have faded or are fading from the scene.

"I believe, therefore, that if we and our allies have the courage, will, and durability to see this struggle through to an honorable peace, based on the reinstallation of the Geneva Accords of 1954 and 1962, we have a fair chance of entering quieter times in which all of us will be able to turn more of our energies to the great unfinished tasks of human welfare and to developing the arts of conciliation and peaceful change.

"The overriding question for all of mankind in this last third of the Twentieth Century is how to organize a durable peace. Much of the experience which has gone into answers to that question has been largely forgotten—perhaps some of it should be. But the question remains—and remains to be answered. I should much enjoy discussing this with you if we can find a way to do so.

"I would value a chance to discuss the issues posed in your letter with a representative group of signatories or with as many as could conveniently join me in Washington at a mutually agreeable time.

"With best wishes and thanks for your serious concern,

"Sincerely yours,

"DEAN RUSK."

SENATE

FRIDAY, FEBRUARY 3, 1967

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

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

Let us pray. Father of our spirits, we turn to Thee for refuge from the noise and hurry of the world about us.

We thank Thee for all fair memories and living hopes—our times are in Thy hands. O Lord, we would have it so.

We do not ask to see life's distant scenes—one step enough for us. Enough for us the blessed assurance that Thou art the love that will not let us go.

Thou art the love that never forgets, the light that never fails, and the life that never ends.

Gather us who seek Thy face to the fold of Thine embrace with the sweet consciousness that Thou art never far from any one of us, closer to us than breathing, nearer than hands or feet.

Make us alive and alert, we pray Thee, to the spiritual values which underlie all the struggle of these epic days. Open our eyes to the futility of changing maps without changing men. To this end may selfishness and all uncleanness be purged from our own hearts and our will be lost in Thine.

God be in our head and in our understanding;

God be in our eyes and in our looking;

God be in our mouth and in our speaking;

God be in our mind and in our thinking;

God be at our end—and at our departing.

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

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, February 2, 1967, was dispensed with.

MESSAGES FROM THE PRESIDENT

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

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Committee on Foreign Relations was authorized to meet during the session of the Senate today.

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

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

EXECUTIVE SESSION

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

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

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

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

DEPARTMENT OF LABOR

The legislative clerk read the nominations of James J. Reynolds, of New York, to be Under Secretary of Labor, and Thomas R. Donahue, of Maryland, to be an Assistant Secretary of Labor.

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair). Without objection, the nominations are considered and confirmed.

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

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

LEGISLATIVE SESSION

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

MEN OF THE SENATE—INTERVIEW WITH SENATOR MANSFIELD

Mr. MANSFIELD. Mr. President, it was my privilege recently to participate in the program of National Educational Television, entitled "Men of the Senate, No. 6." The interrogator was the distinguished correspondent, Mr. Paul Niven. The producer of the series is Mr. Henry McCarthy.

A transcript was made of this spontaneous half-hour conversation between Mr. Niven and myself. In perusing it I will say, in all candor, that, with some rehearsal, I might have said a few things somewhat differently, for stylistic reasons at any rate. In its spontaneity, nevertheless, the overall statement represents very much the way I look at and feel about the Senate, a Senator's responsibility, the role of a Senate majority leader, and about significant events and issues of these times.

So, Mr. President, with apologies in advance to everyone, but to no one in particular, and which in any event I hope will not be called for by anyone, I ask unanimous consent that the verbatim transcript of the unrehearsed telecast previously referred to be included in the RECORD at this point.

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

MEN OF THE SENATE, NO. 6—SENATOR MIKE MANSFIELD

(A complete transcript of National Educational Television)

From: National Educational Television, 1619 Massachusetts Ave., N.W., Washington, D.C.

(NOTE.—This transcript is to be used for news and review purposes only.)

This program, the sixth and concluding broadcast in National Educational Television's "Men of the Senate" series, features an interview with Senator Mike Mansfield (Dem. Mont.). Senator Mansfield, the Senate Majority Leader, has served in Congress since 1942 and in the Upper House since 1952. He is a member of the Foreign Relations Committee and serves as chairman of the Senate's Democratic Conference, Policy Committee, and Steering Committee.

During this half-hour interview with N.E.T.'s Washington correspondent Paul Niven, the Senator discusses the decline in the Senate's influence on foreign policy; the war in Vietnam; the prospects for more Great Society legislation and his role as Majority Leader.

For release: After 7:30 p.m., Wednesday, February 1, 1967.

This program will be broadcast: In New York City, WNDT/Channel 13, Wednesday, February 1, 1967 at 7:30 p.m.; in Washington, D.C., WETA/Channel 26, Thursday, February 2, 1967 at 8:00 p.m.

Executive Producer: Harry McCarthy.

Host: Paul Niven.

"Men of the Senate" is a 1967 production of National Educational Television. This program was produced through the facilities of WETA-TV, Washington, D.C.

PAUL NIVEN. Mike Mansfield of Montana is the only member of Congress, and one of the very few Americans who, at the age of nineteen, had served in the Marine Corps, the Navy and the Army. Since then, he has been successively, a pick and shovel man in the Montana copper mines, college professor, Congressman in 1943, Senator in 1953, and Majority Leader of the Senate in 1959.

Senator Mansfield, when you accepted the majority leadership, you made it quite clear that you had not sought it, did not want it, didn't particularly like it; and you've said many times you'd be glad to give it to anybody else. You've had no takers and there's been no competition for the post. Are you any happier after six years?

Senator MANSFIELD. Yes, I think I am. Perhaps it would be more apt to say that I'm more used to the job. That's about the only thing I can say about it at this time.

Mr. NIVEN. How far does a leader go in leading in your book? Senator Dirksen said on television recently that during the civil rights debate of '64 and '5, he got down on his knees and asked Republican senators for their votes. I presume he was exaggerating, but he did obviously ask for their votes. Do you ever ask a man for his vote?

Mr. MANSFIELD. Yes, once in a while. But I do not exert any pressure on him because each senator in my opinion is sent back here to exercise his own best judgment, and I try to convince them on the basis of logic and necessity and sometimes I'm successful, sometimes I'm not. Speaking about Ev Dirksen, figuratively he did have to get down on his knees to get the votes necessary to invoke cloture and to bring the measure he was referring to a head and to successfully have it passed.

Mr. NIVEN. There's a lot of quid pro quo dealing in the Senate. Do you extend courtesies in the knowledge that without specific dealing undertaken that sometimes later you expect a man to be, will remember that you did something for him and therefore if he can, he will support you and the administration on the roll call?

Mr. MANSFIELD. No, no. I figure that all members of the Senate, both Republican and Democrat, should be treated alike. After all, we are all equals here. I expect no commitments. I do not consider any member under any obligation to me. So far that policy has worked out and as long as I'm in this job that will be the policy which I will pursue.

Mr. NIVEN. Well obligation is a strong word, but I remember reading, for instance, that you, when you noticed that a senator, a Republican senator had not been invited to a White House ceremony for an astronaut from his state, you made sure that he was in the front row when the astronaut came to the capitol and was photographed with the astronaut. Later that day the senator broke Republican ranks to vote with the administration and with some other Republicans to be sure, on roll call. Now isn't this the kind of thing that helps? Isn't it what Senator Dirksen might call the oil can?

Mr. MANSFIELD. I suppose so, Paul, but I would do that for any senator when some celebrity from his state happens to be in the chamber and he is ignored, because as far as I'm concerned, I want to see every senator get his due and I intend to see that that is the case insofar as I can be of any assistance.

Mr. NIVEN. Well, now Senator, you presumably have an obligation to your party as well as to the Senate, although I guess the Senate always comes first, but when you do a favor for a Republican who is up for reelection aren't the Democrats in some state going to take offense?

Mr. MANSFIELD. Yes, that's true, but I believe in giving credit where credit is due and if Republicans do a good job in the interest of the country, I am not at all averse to praising them. I have done it for many of them, I will continue to do it because I think that the welfare of the country comes before the welfare of a political party.

Mr. NIVEN. I'm sure you would go out and campaign for a Democratic colleague in the Senate in his state occasionally. What would happen if a Democratic challenger asked you to go into a state and campaign against an incumbent Republican.

Mr. MANSFIELD. I wouldn't go.

Mr. NIVEN. You wouldn't go ever.

Mr. MANSFIELD. No, because I have to get along with both the Republicans and the Democrats in the Senate and while my main job is to be a—is a senator from the state of Montana, and that comes first—as majority leader, I have to try and get the votes to pass worthwhile legislation and those votes have to come from both sides of the aisle. We have a majority on paper on the Democratic side, but much of this legislation of the past three or four years and even before that, but especially over that period of time, would not have been passed if it had been left to the Democrats alone. We had to depend upon Republican votes and I've made it a point never to go into a state where a sitting senator is running, because I have to look ahead and think of the support which the administration might need and the help I might look for when certain pieces of good legislation are before us for consideration.

Mr. NIVEN. If you weren't a leader you wouldn't feel any such inhibitions I presume.

Mr. MANSFIELD. No, I would not, but as leader I feel that I must operate on that basis.

Mr. NIVEN. Do you think the "clubbiness" of the Senate occasionally goes too far? I'm thinking of an occasion when I saw a couple of senators who I knew held each other in deep personal contempt—and I realize that's rare here, but it sometimes exists as you know—with respective groups of constituents, run into each other in the corridor, each one automatically and by ritual addressed the constituents of the other and said, Oh, your senator is wonderful, one of the most popular men in Washington; we couldn't get along without him. Now those voters must have gone home somewhat confused and doesn't this dull public understanding of political issues?

Mr. MANSFIELD. Well I know of no personal instances to that effect, but it would appear to me that the folks back home have a pretty good idea as to how these two senators, for instance, get along, and they are aware of the fact that this situation is in existence. They can take it or leave it as they see fit. Luckily, as I've said, I've been no party, that isn't putting it quite correctly, I have no direct knowledge of incidents of that kind, though I have heard of that happening.

Mr. NIVEN. How about the Senate establishment which is so much written and talked about? To what extent does it exist in the sense of one group of senators who are much more influential than others?

Mr. MANSFIELD. Oh, I think it's mostly newspaper talk. The word establishment has come into existence over the past six or eight years. I think it's a misnomer. There is no club in the Senate, unless you want to include all one hundred members. As far as the establishment running things are concerned, I think that is not correct. As far as the club idea goes, in my book, all senators are equal—I repeat—they are all considered the same, and all groups and factions within the Senate are kept fully aware of any developments which I might undertake in matters of great import.

Mr. NIVEN. Do you ever feel that senators who go along and play the game have been rather systematically and consistently favored in committee assignments?

Mr. MANSFIELD. Not at all. Not at all. We have tried to be very fair in committee assignments. We have tried to follow the Lyndon Johnson precept, that is, the rule he laid down while he was majority leader, of giving major committees to each new senator. We have been very successful so far. There has been some slight dissatisfaction, but on the whole, the members have been satisfied and have felt that they have been treated equitably.

Mr. NIVEN. Senator, you referred a moment ago to your two roles—one as senator from Montana first, and the other as majority leader. You said in 1961 that you could keep these separate. Do you still think you can in the sense that your pronouncements as a senator from Montana are not construed as administration policy?

Mr. MANSFIELD. Oh yes, I think that's pretty well understood, in my state especially, and in the press and the radio, the TV, that when I speak in an individual capacity as a senator from Montana, I am expressing my own views.

Mr. NIVEN. But is it understood overseas especially when you speak on foreign policy, for instance?

Mr. MANSFIELD. Probably not there, but then I would imagine if they followed the American press, and I'm sure they do, if they follow the proceedings in the Senate, as I assume most of them do, that they are aware of how I feel; that there is a line between being a senator from Montana which is my first and prime responsibility, and being the majority leader of the Senate of the United States.

Mr. NIVEN. Has being majority leader hurt or helped you at home politically or does it work out evenly?

Mr. MANSFIELD. Well, I think for the first couple of years it didn't do me too much good, because people thought that I was perhaps not paying enough attention to the affairs of the state of Montana. Some of them even thought that I got "the big head" from this job. But I've been in it now for six years, seven years. They are aware, more aware of the situation and I think that it pleases them that someone from a small state like Montana could have achieved the position, by luck or happenstance, of being a majority leader of the United States Senate.

Mr. NIVEN. You haven't had much difficulty in getting re-elected lately.

Mr. MANSFIELD. Well the people of Montana have always been kind to me, and one thing I've never forgotten is that I wouldn't be back here representing them if they hadn't sent me here.

Mr. NIVEN. Senator, the other day when you called in effect for a pause and examination of recent legislation, rather than much further innovation, did you clear that speech with the White House? Did you inform them of it, or did you just do it on your own hook?

Mr. MANSFIELD. On my own responsibility.

Mr. NIVEN. Do you inform them in advance when you're going to say anything like that?

Mr. MANSFIELD. Sometimes, sometimes not.

Mr. NIVEN. Does this mean do you exclude any substantial further welfare legislation in the next couple of years?

Mr. MANSFIELD. Oh no, no, no, nor do I think that any of the legislation passed should be done away with. What I prefer to see is better administration of programs already passed because the Senate has a threefold responsibility. The Congress for that matter. But speaking of the Senate, we pass the laws, we evidently know their intent. Secondly, we appropriate the monies and we state how those monies should be spent. The third factor is oversight, and I think, based on the two previous factors, that it is our responsibility to make sure that something in the way of a dollar in value is received for a dollar expended, that the intent of the law is being carried out and in that way the laws can be made more effective and more assistance can be given on that basis than is the case when a program gets underway.

Mr. NIVEN. Well, this emphasis means, does it not, that there must be less, necessarily less emphasis on new innovations?

Mr. MANSFIELD. I would say that, but that doesn't mean that we cannot clarify, amend and correct old laws to make them more efficient and effective.

Mr. NIVEN. Do you think the country has had during the last three or four years, a spate of welfare legislation which it must now digest, is that it?

Mr. MANSFIELD. That's putting it succinctly. I would point out that much of this legislation has been building up to a point over a period of two to three decades. Medicare, for example. And we passed so much legislation during the Kennedy-Johnson administrations that it's lost sight of in the forest which has been created. For example, we passed many measures which have tended to increase the conservation aspect of our country, to better it. We have passed many measures in health which have been of benefit to our people. We have passed a medicare bill which, by itself, was quite an asset to the lives of our older citizens. We have done much in other fields, including education, but so much that I think it's time to stop, look and listen and to make sure that what the Congress intended is being done, and the monies expended are being expended as we stated they should be.

Mr. NIVEN. The actual figures in the Senate change very little as the result of the November election. What about your working majority? Is it about the same? Or is it somewhat shrunk?

Mr. MANSFIELD. I would say just about the same, because you have gotten in some Republican senators who, I think, are pretty much in accord with those whom they displaced, in some instances better or worse, depending on the point of view, but on the whole the Senate, I would think, in the ninetieth Congress would be about the same as in the eighty-eighth and eighty-ninth.

Mr. NIVEN. Which means you have a working majority. You have slightly over fifty votes most of the time.

Mr. MANSFIELD. I would think so.

Mr. NIVEN. At the administration's disposal. . . . And of course the fact . . .

Mr. MANSFIELD. Not at the administration's disposal. On certain key measures, let us say, but not at the administration's disposal.

Mr. NIVEN. But, however, this is not true in the House of Representatives after this last election, so presumably the Senate would not want to waste a great deal of time passing legislation which obviously couldn't go through the House, is that correct?

Mr. MANSFIELD. That is correct, although I think that John McCormack, the Speaker, and Carl Albert, the Majority Leader, and Hale Boggs, the Whip, have all done a magnificent job with paper majorities over the past three or four years. It is my understanding, based on press reports of what has been done already, that they face greater difficulties this year, but there are two outstanding, there are three outstanding leaders, I expect them to do lots better than most people anticipate.

Mr. NIVEN. On the House side, at the beginning of this session, Congress for the first time in a long time, overcame its traditional reluctance to discipline a member, and did so in a case involving ethics. Is there such sentiment here in the Senate side to yield to public opinion on this subject and take a much harder, tighter look at financial dealings and expense records and so forth of members of the Senate?

Mr. MANSFIELD. Yes, I would say so and we faced up to that proposition a year and a half or so ago when at the instance of Senator Cooper of Kentucky, we created a permanent ethics committee.

Mr. NIVEN. Was there not some doubt expressed in the news media as to how far this would go as to whether it wouldn't be window dressing?

Mr. MANSFIELD. Yes, there is always doubt in the news media when Congress takes a step of that nature, but when you consider the makeup of that committee, I think that the choices were excellent; I think the committee will do a good job and I think they will be effective in policing the Senate.

Mr. NIVEN. Senator Dirksen has greeted some of the perennial proposals for reforming Senate or having new ethics measures with the statement, Ha, ha, ha, and I might add ho, ho, ho. You don't take quite that attitude?

Mr. MANSFIELD. No, I do not, and I don't think that Senator Dirksen should be taken too facetiously in what he had to say, because I think Senator Dirksen is just as interested, as I am, and the rest of the Senate is in doing the things which this committee has been empowered to do.

Mr. NIVEN. But doesn't he take the quite serious view that he is responsible to the voters of Illinois, that they can turn him out any time they want, and that therefore he should not only be compelled to publish his financial records, but that he should not make himself his brother's keeper?

Mr. MANSFIELD. I really can't speak for Senator Dirksen, but in general, that would express his outlook, if you'll pardon me for expressing an opinion.

Mr. NIVEN. Senator Mansfield, you put in a period before coming to Congress as a teacher of political science. If you had to go back and become a political science professor again, would your courses be different? Would you approach them quite differently as a result of your experiences here?

Mr. MANSFIELD. Yes, quite different. May I say, Paul, that I am still a full professor on leave from the University of Montana. I have lifetime tenure. So as far as insurance goes, I have it, and as far as a job is concerned, it's waiting for me. Yes, I would change my courses considerably, because when I came down to the Congress twenty-three years ago from a professorship in the University of Montana, at which time I was making twenty-four hundred dollars a year—that should shock some of our listeners—I had all the answers. The students would ask me questions and if I couldn't answer them off the cuff, I could go to the books and find the answer for the next day. The world has changed considerably since that time, and I must say that the difference between theory and actuality is a wide one, and I would have to trim my sails accordingly and be more practical and less theoretical.

Mr. NIVEN. Well, can you give any examples of things that you were sure of then that you're less sure of now?

Mr. MANSFIELD. Well, let me put it this way in broad terms. In those days Britain and France and Belgium, had control of

wide colonial areas. They had troubles now and again, and I could easily find fault with what they were doing. And now they've given up their colonies and the control of the world has, in effect, devolved upon two great powers—the Soviet Union and the United States. When these countries gave up their colonies, we went in in all too many instances to take up some of the slack, so we make mistakes, and we are open to the same kind of objections that I was so free and easy with against them in the days prior to the second world war.

Mr. NIVEN. Some of them, especially in the case of the British, bore their unpopularity in the world with some equanimity . . . they had the power and the flag was there and they were having the commonwealth trade, they didn't care so much. We seem to find it much more difficult to sustain arrows.

Mr. MANSFIELD. Yes we do, because we're new at the job, we are an impatient people. We get frustrated quite easily, and a good deal of the time we are uneasy in our outlook towards certain aspects of our policy as, for example, in the case of Vietnam. We will have to learn to mature, to grow up. We will. We have assumed this responsibility, not because we sought it, but because there was no one else to take over when the decline of the group which used to be classified as great powers began at the end of the second world war.

Mr. NIVEN. Speaking of Vietnam, you had for a long time deep reservations about it. Do you still?

Mr. MANSFIELD. Yes, I do.

Mr. NIVEN. I assume that you wish we weren't there. I guess almost everybody in the country probably wishes we had never gotten in in the first place. But are you among those who would like to get out rather precipitantly.

Mr. MANSFIELD. No, I do not feel we can or should. I think it's to late now to talk about how we got into Vietnam, that question is moot. The important question is how do we get out and how do we do it under honorable circumstances? And I think the President is trying to explore every possible avenue in that regard. I support him in his many and varied attempts to reach the negotiating table to the end that an honorable settlement can be achieved.

Mr. NIVEN. How many of your Democratic colleagues would you estimate are uneasy about the situation? I don't mean in the sense that anybody is happy about it, but there have been some who more than others, have demanded more emphasis on negotiation.

Mr. MANSFIELD. I would say all of them are, uneasy about it. Many of them are frustrated.

Mr. NIVEN. Let me put it another way. How would you divide them up as between doves and hawks?

Mr. MANSFIELD. Well, that's taking a long shot if I have to answer that question. But my guess would be two-thirds to a half would be in favor of more vigorous action—maybe a third, let us say. A third would like to see an honorable conclusion brought as quickly as possible, and a third would be in the middle somewhere. That's an off the top of the head guess that may or may not have any credibility. You asked the question that's the best I can say.

Mr. NIVEN. A third each, a third dove, a third hawk and a third in the middle.

Mr. MANSFIELD. Yes, although I don't like to use the terms dove and hawk. I think they're misnomers in applying such cognomens to senators, but it's become quite useful.

Mr. NIVEN. Like liberal and conservative. Nobody likes the labels very much but it's hard to discuss public affairs without using them.

Mr. MANSFIELD. That's right.

Mr. NIVEN. You're talking there about Democrats and not the whole Senate.

Mr. MANSFIELD. I was talking about Democrats, but I would think by and large the same alignment would apply to the whole Senate.

Mr. NIVEN. There are some Republican doves, aren't there?

Mr. MANSFIELD. Yes.

Mr. NIVEN. Do senators feel under a great compunction not to differ from the White House, especially Democratic senators? Do you feel that, in the administration, that you have over and over again to contain yourself for fear that something you might say and strongly believe would be misinterpreted overseas?

Mr. MANSFIELD. Yes, speaking personally, I would say that's a true statement. I have had to walk a pretty thin line; I have tried to support the administration, at the same time remain a senator from the state of Montana with my own individual views and responsibilities. How well I've succeeded, if I have, I don't know. But at least I've tried to blend the two in without losing my primary identity as a senator from Montana.

Mr. NIVEN. Do you think the Senate has in recent years discharged its obligation to advise and consent in about an appropriate fashion without usurping executive privilege on the one hand or remaining aloof from foreign policy on the other?

Mr. MANSFIELD. I do not. I think that beginning with the Eisenhower administration, we have gradually given up our powers to the executive.

Mr. NIVEN. How?

Mr. MANSFIELD. Through the passage of resolutions having to do with Lebanon, the Tonkin Gulf, and similar types.

Mr. NIVEN. You mean, Presidents by coming and asking permission of Congress, in the sense of the Senate, have yielded up . . .

Mr. MANSFIELD. Not presidents. We have yielded up our power through these resolutions and given to the President powers which many of us did not think we were giving in the first place.

Mr. NIVEN. And this has happened repeatedly and you'd like to see it stopped.

Mr. MANSFIELD. I would indeed, although we are all grown up people here; we ought to be aware of what we're getting into, but sometimes we're carried away at the moment and do not look into the future far enough.

Mr. NIVEN. Have these resolutions occurred because presidents consulted, confronted with the difficulty of an international situation, wanted to show leaders of other countries that this country was united and therefore have demanded and apparently got expressions of support from the capitol here?

Mr. MANSFIELD. Yes, though I wouldn't use the word demand, I would say requested, and it is also a way of bringing the executive and the legislative branch together to the benefit of the executive.

Mr. NIVEN. Exclusively, without benefit of the . . .

Mr. MANSFIELD. To a large extent. We don't lose all our independence, but we don't seem to learn lessons from these resolutions either.

Mr. NIVEN. Had you been president during the last few years, would you have been tempted to do the same kind of thing?

Mr. MANSFIELD. Very likely.

Mr. NIVEN. But you think the Senate and the House must be perpetually on guard against such usurpation?

Mr. MANSFIELD. Always.

Mr. NIVEN. Is this happening in the domestic field too, Senator? Are you one of those who worries about the withering of the legislative power altogether, and the growth of power and centralization in the executive branch?

Mr. MANSFIELD. Yes I do, and that's one of the reasons why I would hope the Senate would exercise its oversight function so that we would not, in effect, indirectly give up that power which is basically ours to the executives offices downtown.

Mr. NIVEN. Has the diminution of the power of the Congress been partly because Congress has not always stood well in public opinion. You remember, I'm sure, the record of the last Congress improved the standing of the Congress to a considerable extent, but there were polls not long ago which showed, under both the Eisenhower and Kennedy administrations, the public largely thought that the executive branch was doing a good job, the judicial branch was doing a good job, but gave Congress rather low marks.

Mr. MANSFIELD. Well, I don't think those people have studied the works of the Congress, understand the difficulties under which we labor, are aware of the increasing complexities of government and the number of problems which are thrown in our laps, both national and international. If they did, I think they would be a little more sympathetic. I'm not asking for their sympathy because as far as the Senate is concerned, each member has to go home to get the judgment of his people and that is where it counts.

Mr. NIVEN. The legislative process is certainly complicated, but perhaps public impatience stems from the spectacle over and over again of series of hearings on one side of the capitol and the long slow process through the same thing on the other side, then because two sides in a conference at the end of the year can't get together, the whole, all the work of months, including the expression of sentiment on both sides positively is thrown away because they failed to agree in a conference.

Mr. MANSFIELD. I think you've got a point there. I think we do waste a lot of time. I think we use too much of the time of members of the executive branch such as the Secretary of State, the Secretary of Defense and others . . .

Mr. NIVEN. They think so too.

Mr. MANSFIELD. Well, and they have a right to, because they have to appear before different committees, repeat the same thing over and over again; they have to come up too often, and it's awfully hard for them to run the affairs of their departments. And at the same time, spend a good portion of their time appearing before Congressional committees, and sometimes Congressional committees are unfair, they ask for too much and they take advantage of these people who are the chiefs of departments.

Mr. NIVEN. Well why couldn't the counterpart committees in the two houses get together once a year or twice a year, whatever is required, to hear these busy men.

Mr. MANSFIELD. I have advocated that on a number of occasions, but tradition and precedent is a little bit hard to break in the Congress. I still advocate it; I wish it could be done. I think it would be just as beneficial to us and certainly would be a great time saver for the people who have these enormous responsibilities downtown.

Mr. NIVEN. This building is heavy with tradition and precedent, Senator. On the whole do you think it does more harm or good?

Mr. MANSFIELD. More good.

Mr. NIVEN. Why ?

Mr. MANSFIELD. Well, I think that what our forebears did in this body was good. I think though, that times do come when we have to change with them, but I think we ought to go carefully and conscientously and

not run pell mell into change or try to keep up with it too closely because there's too much which is too good in the antecedents of this body which I think ought to be retained.

Mr. NIVEN. The clock has caught up with us. Thank you very much, Senator Mansfield.

Mr. MANSFIELD. Thank you.

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.

LEGISLATIVE REORGANIZATION ACT OF 1967

Mr. HAYDEN. Mr. President, may I bring to the attention of my good friend, the senior Senator from Oklahoma, the chairman of the Special Committee on the Organization of the Congress, and the other Senators who are interested in the various ways whereby the Senate carries on its operations, certain proposed changes in procedure in the bill under consideration which I do not deem to be advisable.

First, I wish to direct attention to section 323(a) of title III, part 2, which relates to telecommunications.

Subsection (a) requires the Sergeant at Arms of the Senate and the Clerk of the House to make a study of the telecommunications requirements of Congress, with a view toward having Congress participate in the Federal Telecommunications System or to establish its own lease line system.

The Senate now has an optional leased wire service—WATS—and has under review additional proposals by the Chesapeake & Potomac Telephone Co. for expanding this system. The Senate Committee on Rules and Administration has given the Sergeant at Arms permission to contract with the Clerk of the House for an up-to-date Capitol switching service—Centrex—which will provide adequate controls for use of lease lines. This proposal can be handled by the appropriate existing committees of the Senate and House—the Senate Committee on Rules and Administration and the House Administration Committee.

VETERANS' AFFAIRS

Section 121 of S. 355, beginning on page 22, would create a new standing committee of the Senate to be known as the Committee on Veterans' Affairs. Its jurisdiction would encompass legislation now handled by the Senate Committee on Finance and the Senate Committee on Labor and Public Welfare.

When the New Senate Office Building was being occupied for the first time in 1959, the Committee on Rules and Administration determined that each standing committee of the Senate should be entitled to a minimum of one hearing room and five adjacent offices.

At the present time there is not a single unassigned or unoccupied room on the Senate side of the Capitol Building or in either of the two Senate Office Buildings. Provision of space to accommodate Senators and Senate activities has long since passed the critical stage.

At present, two subcommittees of the Senate with large staffs are housed together in one room. Another subcommittee is accommodated in an old windowless storeroom on the fourth floor of the Old Senate Office Building. One or two recent subcommittees have no space. The Select Committee on Standards and Conduct has one windowless room on the second floor, a very tiny room on the first floor of the Old Senate Office Building, and one small temporary room on the third floor of the same building.

The space allocated in the basement of the Old Senate Office Building for the automatic typewriters of 50 Senators now accommodates 81 Senators, and 6 more Senators have applied for admittance. A day does not pass but that the Committee on Rules and Administration receives requests from Senators, Senate committees, and Senate activities for additional working space which simply does not exist.

If a Standing Committee on Veterans' Affairs were to be created, appropriate space would have to be provided for it, but how or where is unknown.

CAPITOL GUIDES

Title IV, part 1, section 406(b) at page 86, vests the Joint Committee on Congressional Operations with authority over the Capitol Guide Service. This function is now under the Capitol Police Board.

If this service requires change or reform, it can be accomplished by existing committees of the House and Senate. It is difficult to envision improvement by merely transferring the service to a new joint committee.

CAPITOL POLICE

Section 422, at page 90, would authorize the Capitol Police Board to formulate a plan for converting the Capitol Police force to a professional force and give consideration to the feasibility of having that force become a division of the Metropolitan Police force of the District of Columbia.

This section also provides for the replacement of Capitol Police officers with persons recruited through the Metropolitan Police force as vacancies occur. In addition, the Metropolitan Police Chief would be required to assist the Capitol Police Board, and the Board itself would report to the Congress at the earliest practicable date together with recommendations for legislation.

The Metropolitan Police Department has been most cooperative in assisting the Capitol Police to the extent its resources permit. The Metropolitan Police at the present time have over 300 vacancies and a very grave recruitment problem.

The Capitol Police force has as its primary mission the security of the Capitol buildings and grounds and rendering assistance to the thousands of citizens who visit the Capitol, and their duties can be readily distinguished from the overall law enforcement requirements of a city police department.

The President of the District of Columbia Board of Commissioners informed the Vice President and the Speaker of the House, in a letter dated April 15, 1966, that:

> The Police Department is experiencing a great deal of difficulty in recruiting men to fill present vacancies which number two hundred and four * * * in 1965, 279 men were appointed and 277 separated for a net gain of 2 men for that entire year; in 1966 to date, the situation has not improved, 73 have been appointed and 88 separated for a loss of 15 men.

This letter was written in response to a request by the Capitol Police Board for a 10-man detail from the Metropolitain Police to assist the Capitol Police during the late closing hours inaugurated at the Capitol Building during the summer months in 1966. In other words, an additional 10-man detail was considered as an undue drain on the undermanned Metropolitan Police force.

Officials of the Capitol Police now participate in the Metropolitan Police Academy training program on a continuing basis. This is a 4-week program of intense study in all phases of police work.

The Metropolitan Police Department has been most cooperative in assisting the Capitol Police to the extent its resources permit. They currently provide the Capitol, on a reimbursable basis, with a plainclothes detail for security of the House and Senate, a 10-man night foot patrol for the grounds, and five canine teams. However, it would seem that there is little hope in the foreseeable future for a program which envisions the Capitol Police as a division of the Metropolitan Police. As I have stated, the Metropolitan Police is unable to recruit sufficient officers to meet its own needs. It has at this time over 300 vacancies. Moreover, the Capitol Police force has, as its primary mission, the security of buildings and grounds and rendering assistance to the thousands of citizens who visit our Capitol each year, rather than the overall law enforcement requirements of a city police department.

It would seem that the program established in 1966, which provides for a hard core of experienced career policemen within the force, contains the best answer to the problems confronting the Capitol Police Board. This program should be expanded to provide an even larger number of such officers in the future. It has been demonstrated that such men can be recruited and trained to meet the needs of the force. The infusion of experienced officers has upgraded the effectiveness of the entire Department.

In present circumstances, the cooperative plan worked out with the assistance of the Senate Committee on Appropriations between the Capitol Police Board and the Metropolitan Police Department for training and assistance is the most effective arrangement for all concerned.

SENATE AND HOUSE PAGES

Title IV, part 2, section 423, at page 91, would replace the present page system in the House and Senate with men of college age. At present, these positions are filled by boys in high school.

Nature of duties indicates that young boys in high school are better suited. Their tasks are primarily those of messengers or errand boys. College men could not operate in tight quarters around Senate desks and seats with the same efficiency and agility as high school boys. Dignity and decorum of the Senate would not be enhanced by having grown men sit on the rostrum and mill around the Chamber. Hours of Senate business would not provide college boys with an opportunity to attend their classes. If the proposal is based on need for outside supervision of present page force, a better answer would be the establishment of a dormitory with full-time adult supervision.

RESOLUTION OF RHODE ISLAND GENERAL ASSEMBLY

Mr. PASTORE. Mr. President, I send to the desk, for appropriate reference, the resolution passed by the General Assembly of the State of Rhode Island and approved by the Governor on January 27, 1967, memorializing the Congress of the United States to enact legislation authorizing the establishment of a national cemetery in the State of Rhode Island.

The resolution was received and referred to the Committee on Interior and Insular Affairs, as follows:

H. 1157

Resolution memorializing the Congress of the United States to enact legislation authorizing the establishment of a national cemetery in the State of Rhode Island

Whereas, at present there is no national cemetery in the state of Rhode Island; and

Whereas, Rhode Island although small in area is a densely populated state; and

Whereas, many military personnel from Rhode Island give their lives in their country's service; and

Whereas, there are many appropriate parcels of land in Rhode Island which can be selected as the site of a national cemetery: Now therefore be it

Resolved, That the general assembly does hereby memorialize the Congress of the United States to enact legislation authorizing the establishment of a national cemetery in the state of Rhode Island; and be it further

Resolved, That the Secretary of State be and he hereby is authorized and directed to transmit duly certified copies of this resolution to the Senators and Representatives from Rhode Island in the Congress of the United States in the hope that they will exert every effort to have a national cemetery established in Rhode Island.

Attest:

AUGUST P. LA FRANCE,
Secretary of State.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HILL, from the Committee on Labor and Public Welfare, with amendments:

S. Res. 74. Resolution to provide additional professional and clerical staff for the Committee on Labor and Public Welfare; referred to the Committee on Rules and Administration.

CONSTRUCTION AND OPERATION OF A LARGE PROTOTYPE DESALTING PLANT—REPORT OF A COMMITTEE (S. REPT. NO. 49)

Mr. KUCHEL. Mr. President, I submit for printing the report on S. 270, a bill, which others have joined with me in introducing, which provides for the construction and operation of a desalting plant off the shores of California, which was approved in committee unanimously.

The PRESIDING OFFICER (Mr. SPONG in the chair). The report will be received and printed, and the bill will be placed on the calendar.

The bill (S. 270) to provide for the participation of the Department of the Interior in the construction and operation of a large prototype desalting plant, and for other purposes, was placed on the calendar.

AUTHORIZATION FOR COMMITTEE ON LABOR AND PUBLIC WELFARE TO MAKE A STUDY OF MATTERS PERTAINING TO POVERTY—REPORT OF A COMMITTEE—ADDITIONAL COSPONSORS

Mr. CLARK. Mr. President, from the Committee on Labor and Public Welfare, I report favorably, with amendments, the resolution (S. Res. 17) authorizing the Committee on Labor and Public Welfare to make a complete study of all matters pertaining to poverty. I ask that the resolution be referred to the Committee on Rules and Administration.

I ask unanimous consent that at its next printing the names of Senators MORSE, YARBOROUGH, RANDOLPH, PELL, KENNEDY of Massachusetts, NELSON, KENNEDY of New York, and MURPHY be added as cosponsors of the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered; and, under the rule, the resolution will be referred to the Committee on Rules and Administration.

BILLS AND JOINT RESOLUTIONS INTRODUCED

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

By Mr. BYRD of West Virginia:

S. 825. A bill for the relief of Dr. Jacques Charbonniez; to the Committee on the Judiciary.

By Mr. PEARSON:

S. 826. A bill to extend for 2 years the period for which payments in lieu of taxes may be made with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments; to the Committee on Government Operations.

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

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

S. 827. A bill to establish a Nationwide System of Trails, and for other purposes; to the Committee on Interior and Insular Affairs.

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

By Mr. CLARK (for himself and Mr. SCOTT):

S. 828. A bill to amend section 5(b) of the act of March 18, 1966 (Public Law 89-372), so as to make the prohibition contained therein on the filling of certain vacancies in the office of district judge for the eastern district of Pennsylvania inapplicable to the first vacancy occurring after the enactment of such act; to the Committee on the Judiciary.

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

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

S. 829. A bill to amend title II of the Social Security Act to eliminate the reduction in disability insurance benefits which is presently required in the case of an individual receiving workmen's compensation benefits; to the Committee on Finance.

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

(The above bill was ordered to lie on the desk for 1 week for additional cosponsors.)

By Mr. YARBOROUGH (for himself, Mr. RANDOLPH, Mr. CLARK, Mr. SMATHERS, Mr. MORSE, and Mr. WILLIAMS of New Jersey):

S. 830. A bill to prohibit age discrimination in employment; to the Committee on Labor and Public Welfare.

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

(The above bill was ordered to be held at the desk until February 9, 1967 for additional cosponsors.)

By Mr. FONG:

S. 831. A bill authorizing the use of additional funds to defray certain increased costs associated with the construction of the small-boat harbor at Manele Bay, Lanai, Hawaii; to the Committee on Public Works.

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

S.J. Res. 27. Joint resolution establishing the Commission on Art and Antiquities of the Capitol, and for other purposes; to the Committee on Rules and Administration.

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

By Mr. McCLELLAN:

S.J. Res. 28. Joint resolution authorizing the president to proclaim the fourth week in April in every year as National Coin Week; to the Committee on the Judiciary.

EXTENSION FOR 2 YEARS THE PERIOD FOR PAYMENTS IN LIEU OF TAXES

Mr. PEARSON. Mr. President, I introduce, for appropriate reference, a bill which would extend for a further period of 2 years the authority to make payments in lieu of taxes under Public Law 388 of the 84th Congress. That law provides that where real property was transferred on or after 1946 from the Reconstruction Finance Corporation to any Government department and title thereto has been held coninuously since such transfer, the Government department

having custody and control of authorities an amount equal to the real property tax which would be payable if the property were in the hands of a private citizen.

Under the Constitution, property owned by a Federal department or agency cannot be taxed by the States. But the Federal Government may provide a substitute for the tax where the Congress deems it desirable. In this instance, the properties affected were at one time under the control of the Reconstruction Finance Corporation and then on the tax rolls of the communities in which they were located. They are, for the most part, manufacturing and commercial type properties which require police and fire protection and the numerous other costly services that local communities must provide.

The Department of Defense owns 29 properties which this bill would affect and one such property is located in Sedgwick County, Kans. According to a report from the House last year the cost of this bill would amount to some $3 million. The bill was introduced last year and received favorable approval from the Bureau of the Budget, Department of the Army and General Services Administration.

This bill is of vital importance to communities where affected properties are located, and I sincerely request that full consideration be given to this bill by the Senate.

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

The bill (S. 826) to extend for 2 years the period for which payments in lieu of taxes may be made with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments, introduced by Mr. PEARSON, was received, read twice by its title, and referred to the Committee on Government Operations.

NATIONWIDE SYSTEM OF TRAILS

Mr. JACKSON. Mr. President, I introduce, on behalf of the Senator from Wisconsin [Mr. NELSON] and myself, a bill to establish a nationwide system of trails.

This proposed legislation has been submitted to the Congress by the Secretary of the Interior and its enactment recommended by the President in his recent message on preservation of our natural heritage. This bill would encourage cooperation between Federal, State, and local government agencies and private interests concerned in meeting the objective of providing additional recreational and scenic resources for our citizens. The bill is based upon a joint study by the Secretary of the Interior and the Secretary of Agriculture in cooperation with other public and private organizations. There are four general classes of trails to serve the needs of the American people:

First, national scenic trails; second, Federal park, forest, and other recreation trails; third, State park, forest, and other recreation trails; fourth, metropolitan area trails.

As initial units of the nationwide system, the bill designates four trails to be classified as national scenic trails. These are: the Appalachian Trail, the Continental Divide Trail, the Pacific Crest Trail, and the Potomac Heritage Trail. All of these are within reach of major population centers of the Nation.

I want to assure the President, the Secretary of the Interior, and others who are interested in conservation and development of our national recreational resources that my committee will schedule very thorough consideration of this measure and all those who wish to express their views will have ample opportunity to do so.

I ask unanimous consent that the letter accompanying the legislation submitted by the Department of the Interior to the President of the Senate be printed at this point in my remarks to further explain in more detail the scope of the proposed legislation.

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

The bill (S. 827) to establish a nationwide system of trails, and for other purposes, introduced by Mr. JACKSON (for himself and Mr. NELSON), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

The letter presented by Mr. JACKSON is as follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., February 1, 1967.

Hon. HUBERT H. HUMPHREY,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: The President in his February 23, 1966, message on preserving our natural heritage, said "I am submitting legislation to foster the development by Federal, State, and local agencies of a nationwide system of trails and give special emphasis to the location of trails near metropolitan areas." Such legislation was submitted in the 2d session of the 89th Congress, and is resubmitted in the enclosed draft bill in a slightly modified form.

A nationwide system of trails will open to all the opportunity to develop an intimacy with the wealth and splendor of America's outdoor world for a few hours at a time, or on one-day jaunts, overnight treks, or expeditions lasting a week or more. A system of trails carved through areas both near to, and far from, man and his works will provide many varied and memorable experiences for all who utilize the trails.

The enclosed draft bill is based upon a joint study by the Secretary of the Interior and the Secretary of Agriculture in cooperation with other public and private interests. The bill provides for the establishment of a Nationwide System of Trails composed of the following four general classes of trails to serve the needs of the American people:

National Scenic Trails—A relatively small number of lengthy trails which have natural, scenic, or historic qualities that give them recreation use potential of national significance. Such trails will be several hundred miles long, may have overnight shelters at appropriate intervals, and may interconnect with other major trails to permit the enjoyment of such activities as hiking or horseback riding. The enclosed bill designates certain trails as national scenic trails for inclusion in the Nationwide System, and provides that other trails may be so designated by subsequent legislation. The bill provides that money appropriated for Federal purposes from the Land and Water Conservation Fund shall be available to Federal agencies to acquire property for the national scenic trails. By the terms of the Land and Water Conservation Fund Act of 1965, money appropriated from the fund for State purposes would be available to States and their political subdivisions for land acquisition and development for trail purposes. The development of national scenic trails by Federal agencies would be financed by appropriations from the general fund of the Treasury.

Federal Park, Forest, and Other Recreation Trails—There will be an improvement and expansion of existing trails and the development of additional trails within areas administered by the Secretaries of the Interior and Agriculture in order to enable the public to make use of the distinctive natural, scenic, and historic resources of the areas administered by the two Secretaries. Among such areas are the national parks, national forests, national wildlife refuges, Indian Reservations, and public domain lands. However, appropriate arrangements would need to be made with the Indian Tribes and individual Indians involved for rights-of-way or easements across Indian lands. No new legislation is required to authorize the construction of this class of trails. The two Secretaries will request funds for the trails as part of their regular requests for appropriations as they have in the past. The enclosed bill authorizes each Secretary to designate and mark the trails of this class under his administrative jurisdiction as part of the Nationwide System of Trails.

State Park, Forest, and Other Recreation Trails—An expansion of trails on lands owned or administered by the States will be encouraged. Only a few States now have major trail development programs underway or planned. Almost half of the States report that they have less than 100 miles of such trails. The enclosed bill directs the Secretary of the Interior to encourage the States to consider needs and opportunities for such trails in the comprehensive statewide outdoor recreation plans and project proposals submitted to the Secretary under the Land and Water Conservation Fund Act of 1965 (78 Stat. 897). Upon the approval by the Secretary of the Interior of trail projects proposed by the States for financial assistance under the Fund Act, funds would be available for the acquisition and development of the trails from the monies allocated to the States out of the Fund. The bill also directs the Secretary of the Interior, under the authority of the Act of May 28, 1963 (77 Stat. 49), and the Secretary of Agriculture, under authority vested in him, to encourage the establishment of such trails. The States may designate and mark this class of trails as part of the Nationwide System with the approval of the Secretary of the Interior.

Metropolitan Area Trails—To serve people near their homes, local governments will be encouraged to develop trails designed primarily for day use in and near urban areas. These trails will satisfy the needs of large numbers of people for limited hiking and riding experiences. Whenever possible, the trails will lead directly from urban residential areas. Where appropriate, river and canal banks, utility rights-of-way, abandoned railroad or streetcar beds, and even city streets and sidewalks will be utilized. The enclosed bill directs the Secretary of the Interior to encourage the establishment of metropolitan area trails under the existing authority and procedures of the Land and Water Conservation Fund Act. It also directs the Secretary of Housing and Urban Development to encourage the planning and provi-

sion of trails in metropolitan and other urban areas through the existing urban planning assistance program and the urban open-space land program. In addition, the bill directs the Secretary of the Interior, under the authority of the Act of May 28, 1963 (77 Stat. 49), and the Secretary of Agriculture, under the authority vested in him, to encourage States, political subdivisions and private interests, including nonprofit organizations, to establish metropolitan area trails. This class of trails may be designated and marked as part of the System by the States or other administering agencies with the approval of the Secretary of the Interior.

As initial units of the Nationwide System of Trails, the enclosed bill designates four trails located within easy reach of major population centers as national scenic trails:

1. The Appalachian Trail, extending 2000 miles along the Appalachian Mountains from Maine to Georgia.

2. Continental Divide Trail, extending 3100 miles along the Continental Divide from near the Mexican border to the Canadian border.

3. Pacific Crest Trail, extending 2350 miles along the mountain ranges of the West Coast States from the Mexican border to the Canadian border.

4. Potomac Heritage Trail, extending 825 miles along the Potomac River from its mouth to its sources in Pennsylvania and West Virginia.

The Secretary of the Interior is authorized to select a right-of-way for, and to provide appropriate marking of, the Appalachian and Potomac Heritage Trails, and the Secretary of Agriculture is authorized to do likewise for the Continental Divide and Pacific Crest Trails. The rights-of-way for the trails will be of sufficient width to protect natural, scenic, and historic features along the trails and to provide needed public use facilities. The rights-of-way will be located to avoid established uses that are incompatible with the protection of a trail in its natural condition and its use for outdoor recreation. The location, relocation, and marking of the national scenic trails will be coordinated with the various Federal agencies, States, local governments, private organizations, and individuals concerned. Notice of the selection of the trail rights-of-way, and changes therein will be published in the *Federal Register*.

The Secretary charged with the selection of the right-of-way for the four national scenic trails is authorized to establish an advisory council for each trail. The council will advise and assist in the selection of the right-of-way, and the marking and administration of the trail. The advisory council will include representatives of the Federal agencies that administer lands through which the trail passes, of the States involved, and of private organizations having an established and recognized interest in the trail.

The enclosed bill requires the advisory council for the Appalachian Trail to include a sufficient number of members of the Appalachian Trail Conference to represent the various sections of the country through which the trail passes. This provision of the bill recognizes the long history of responsible service of the Appalachian Trail Conference and its more than 40 member clubs which now maintain much of the 2000-mile length of the trail.

The bill authorizes the heads of Federal agencies, within the exterior boundaries of federally administered areas that are included in the right-of-way selected for a national scenic trail (1) to enter into written cooperative agreements with private landowners, private organizations, and individuals to develop, operate, and maintain the trail; and (2) to acquire lands or interests in lands by donation, purchase with donated or appropriated funds, or exchange.

With respect to the lands within a national scenic trail right-of-way that are outside of the exterior boundaries of federally administered areas, the bill encourages States and local governments (1) to enter into written cooperative agreements with landowners, private organizations, and individuals to develop, operate, and maintain the trail; and (2) to acquire, develop, and administer these lands or interests therein. If, however, the States or local governments are unable or unwilling to enter into such agreements or to acquire such lands to protect the established route of the trail within two years after the selection of the right-of-way, the Secretary charged with the selection of the right-of-way is authorized to undertake such agreements with the above parties and State and local governments, and to acquire, develop, and administer the privately owned lands or interests therein. The appropriate Secretary may not, however, acquire the privately owned lands and interests therein by eminent domain without the consent of the owner unless he has made all reasonable efforts to acquire such property by negotiation. And in exercising the power of eminent domain in such cases, he may not acquire the fee title unless he determines the acquisition of lesser interests or written agreements is inadequate.

The Secretary of the Interior will administer the Appalachian and Potomac Heritage Trails, and the Secretary of Agriculture will administer the Continental Divide and Pacific Crest Trails. When any portion of one of the above trails is within an area administered by another Federal agency, however, such portion will be administered as the appropriate Secretary and the head of that agency determine, or as directed by the President.

The use of motor vehicles by the general public along national scenic trails will be prohibited. This will not, however, prevent motor vehicles from crossing the trails where necessary, or the use of motor vehicles along the trails for rescue, fire fighting, or other emergency purposes. Similarly, it is recognized that additional highways, utility lines, and other vital public facilities may unavoidably be routed across the trails.

The Appalachian Trail Conference will be encouraged to continue its role as the principal guardian of the Appalachian Trail. For over 40 years, thousands of volunteer members of the Appalachian Trail Conference have teamed together to establish and maintain the trail. Their work on the trail has been as important an outdoor recreation activity to them as the enjoyment of hiking and camping along the trail. The enclosed bill will insure that the Appalachian Trail will continue to provide both a source of hiking pleasure to Trail Conference members and the general public and an opportunity for volunteer work to help maintain the trail.

We estimate the land acquisition cost for the four national scenic trails at approximately $9,985,000 and the development costs for the first five years at approximately $20,000,000. Annual operation and maintenance costs for the four trails are expected to be about $1,177,000 after the fifth year.

The $9,985,000 land acquisition cost figure would provide for the acquisition of lands or interests therein along those portions of the trails not now in public ownership. This assumes acquisition in fee of an average of 25 acres per mile, as well as the acquisition of scenic easements, as needed, to protect trail values on adjoining lands. The 25-acre per mile acquisition in fee would permit a right-of-way averaging about 200 feet in width. We hope, however, that satisfactory written cooperative agreements can be negotiated which will materially reduce the need for land acquisition, and thus the estimated cost.

In keeping with the bill's objective of encouraging cooperation between the Federal agencies, States, local governments, and private interests concerned, we anticipate that non-Federal interests will participate actively in the acquisition, development, operation, and maintenance of the Appalachian Trail. To the extent of such participation, the need for Federal funds also will be reduced.

The man-years and cost data statement (based on current assumptions and estimates) required by the Act of July 25, 1956 (70 Stat. 652; 5 U.S.C. 642a), when annual expenditures of appropriated funds exceed $1 million, is enclosed.

This proposed legislation has been prepared in collaboration with the Secretary of Agriculture and has his approval.

The Bureau of the Budget has advised that the presentation of this proposed legislation would be in accord with the program of the President.

Sincerely yours,

CHARLES F. LUCE,
Acting Secretary of the Interior.

Estimated expenditures for the 1st 5 years of proposed new or expanded programs

APPALACHIAN TRAIL

	19CY	19CY+1	19CY+2	19CY+3	19CY+4
Operation and maintenance	$115,000	$250,000	$250,000	$250,000	$250,000
Capital investment	200,000	200,000	200,000	200,000	200,000
Land acquisition	500,000	2,000,000	1,000,000	750,000	415,000
Total	815,000	2,450,000	1,450,000	1,200,000	865,000

POTOMAC HERITAGE TRAIL

	19CY	19CY+1	19CY+2	19CY+3	19CY+4
Operation and maintenance	$90,000	$200,000	$200,000	$200,000	$200,000
Capital investment	263,200	263,200	263,200	263,200	263,200
Land acquisition	150,000	350,000	560,000	350,000	150,000
Total	503,200	813,200	1,023,200	813,200	613,200

PACIFIC CREST TRAIL

	19CY	19CY+1	19CY+2	19CY+3	19CY+4
Operation and maintenance	$327,000	$327,000	$327,000	$327,000	$327,000
Capital investment	1,330,000	1,330,000	1,330,000	1,330,000	1,330,000
Land acquisition	120,000	255,000	470,000	255,000	120,000
Total	1,777,000	1,912,000	2,127,000	1,912,000	1,777,000

CONTINENTAL DIVIDE TRAIL

	19CY	19CY+1	19CY+2	19CY+3	19CY+4
Operation and maintenance	$400,000	$400,000	$400,000	$400,000	$400,000
Capital investment	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000
Land acquisition	254,000	535,000	962,000	535,000	254,000
Total	2,854,000	3,135,000	3,562,000	3,135,000	2,854,000
Grand total	5,949,200	8,310,200	8,162,200	7,060,200	6,109,200

Estimated additional man-years of civilian employment for 1st 5 years of proposed new or expanded programs

APPALACHIAN TRAIL

	19CY	19CY+1	19CY+2	19CY+3	19CY+4
Supervisors	1	2	2	2	2
Laborers	9	18	18	18	18
Total	10	20	20	20	20

POTOMAC HERITAGE TRAIL

	19CY	19CY+1	19CY+2	19CY+3	19CY+4
Supervisors	1	2	2	2	2
Laborers	7	13	13	13	13
Total	8	15	15	15	15

PACIFIC CREST TRAIL

	19CY	19CY+1	19CY+2	19CY+3	19CY+4
Supervisors	6	6	6	6	6
Laborers	18	18	18	18	18
Total	24	24	24	24	24

CONTINENTAL DIVIDE TRAIL

	19CY	19CY+1	19CY+2	19CY+3	19CY+4
Supervisors	8	8	8	8	8
Laborers	24	24	24	24	24
Total	32	32	32	32	32
Grand total	74	91	91	91	91

THE AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967

Mr. YARBOROUGH. Mr. President, I introduce, for Senator CLARK, Senator MORSE, Senator RANDOLPH, Senator SMATHERS, Senator WILLIAMS of New Jersey, and myself the Age Discrimination in Employment Act of 1967.

As the President stated in his message on older Americans:

> America is a young nation. But each year a larger proportion of our population joins the ranks of the senior citizens.

And each year more and more senior citizens are finding it difficult to obtain jobs. In our country today there are thousands of people not yet old—not yet voluntarily retired—but finding themselves jobless because of arbitrary age discrimination.

In fact, there has been a persistent average of 850,000 people age 45 and over who are unemployed, despite our present low overall rate of unemployment.

This is a serious and senseless loss to the Nation as a whole. The greater loss is to the citizens themselves—and their families.

The legislation I am introducing today is the President's recommendation to Congress for action to enable our Government to fulfill its responsibility to these citizens—and their families.

Congress has sought to improve the quality of our educational system, to stimulate economic growth, to guarantee all citizens their full constitutional rights. These are sound objectives—their attainment are goals worthy of a great nation.

But of what value are constitutional rights and improved schools and general prosperity to those who cannot even find a job?

A nation so richly endowed should be able to devise ways and means of insuring to all our able-bodied working men and women an opportunity to work, regardless of age.

The proposed legislation will establish, as a touchstone of national labor policy, a program to eliminate arbitrary age discrimination in employment.

The bill provides minimum standards for barring age discrimination in employment for workers between the ages of 45 and 65. But for needed flexibility, the Secretary of Labor is authorized to adjust those age limits upward or downward.

The bill's prohibitions against arbitrary employment practices harmful to older persons are directed against employers, labor organizations, and employment agencies in industries affecting commerce. It provides a three-stage effort for eliminating these unjust discriminatory practices. The Secretary of Labor would attempt to eliminate the injustices through informal efforts; that is, by conference, conciliation, and persuasion. Should these efforts be unsuccessful, the prohibitions would be enforced through administrative proceedings conducted by the Secretary. These proceedings could be initiated either by the Secretary himself or by an aggrieved person. Where necessary, there could be judicial enforcement following the administrative procedures.

The prohibitions are not directed to all instances of differentiation on the basis of age; that is, valid differentiations could be made in the case of a bona fide occupational qualification necessary to the normal operation of a business. The bill also permits other reasonable differentiations not based on age alone, and the Secretary of Labor would have authority to set up other reasonable exceptions, if he finds them necessary in the public interest.

The bill also provides for research programs with a view to reducing those particular problems for older workers which stem from institutional arrangements.

Fostering job opportunities and the potential for employing older workers through the public employment service is provided for.

Lastly, the proposal contains provisions for communicating information to employers and unions and other interested persons concerning the skills and abilities of older workers. It calls for a positive program of providing technical assistance to employers, unions, and others interested in helping older workers and the problems they face because of age discrimination.

I urge that early and favorable consideration be given to the enactment of this legislation, which will carry out one of the most important recommendations in the President's message on older workers.

To deny a man an equal chance at a job or at advancement because of his age is sharply at odds with the basic tenets of freedom and fair play on which this Nation was founded.

Let me suggest three additional reasons why this legislation should be supported:

First, it is the right thing to do.

Second, this country has always had a special quality, a unique standing among the nations of the world, as the land of opportunity. Other nations have been inspired by this example in the past. Today, our neighbors in the world judge us not by our excuses but by our accomplishments.

Third, we cannot afford to waste the skills of any man. We need the full use of all our talents to meet the challenges of the modern world.

I ask unanimous consent that this bill remain at the desk until the close of business on Thursday, February 9, so that other Senators may add their names as cosponsors.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested by the Senator from Texas.

The bill (S. 830) to prohibit age discrimination in employment, introduced by Mr. YARBOROUGH (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

RANDOLPH SUPPORTS LEGISLATION TO CURB DISCRIMINATION ON ACCOUNT OF AGE IN EMPLOYMENT PRACTICES

Mr. RANDOLPH. Mr. President, it is my privilege and a cherished part of my responsibility to join with my distinguished colleague from Texas [Mr. YARBOROUGH] in cosponsoring this legislation.

As chairman of the Subcommittee on Employment and Retirement Incomes of the Special Committee on Aging, and as a member of the distinguished gentleman's Subcommittee on Labor, of the Committee on Labor and Public Welfare, I have been keenly interested in employment difficulties faced by many middle aged and older Americans in their desire to make available their experience, training, energies, and enthusiasm—to contribute to the growth and solidity of our Nation's economy—by obtaining gainful employment at a respected level in our society.

This bill will provide a sound basis for consideration of this problem by the Congress, and I am confident that we can

use it to develop equitable legislation to help solve the problem these people face.

I look forward to working with my colleague from Texas, and with our other colleagues on the Labor Subcommittee during hearings and other meetings where this legislation will be considered. We must dedicate ourselves to meeting the needs of our middle aged and elderly in all of the myriad spectra of which our national image is composed.

PRESERVATION OF CAPITOL WORKS OF ART

Mr. MANSFIELD. Mr. President, in the last Congress, the distinguished minority leader [Mr. DIRKSEN] and several other Senators joined with me in sponsoring a joint resolution which was designed to provide adequate supervision of the works of art and the antiquities of the Capitol. This resolution passed the Senate by unanimous vote, as had a similar measure in a preceding Congress. In neither case, however, was the proposal acted upon in the House of Representatives.

There has been a gratifying upsurge of interest in recent years in the preservation of the memorabilia of America's history as a source of continuing national inspiration. There comes to mind, of course, the work of Mrs. Kennedy and Mrs. Johnson in the home of the Presidents, the White House, which has provided considerable impetus for this growing interest.

There has not been, I regret to say, a similar solicitude for the historic contents of the home of the Congress, the Capitol. Yet this edifice is a great storehouse of furniture, paintings, statues, and other objects of art and antiquity. The Capitol's collection dates back to the earliest days of the Republic, much of it is irreplaceable, and the whole is of incalculable value.

As has happened in State capitals, it is probable that there has already been, over the decades, considerable loss in this great collection. That is to be expected when it is realized how loose and scattered are the arrangements for its supervision. Various officers and committees of the Congress share these responsibilities under practices which have grown up over the decades and without any particular rhyme or reason. At this point, Mr. President, we do not even know what there is, where it is, or what it is worth because there is no central source of supervision.

I sometimes wonder when we will make the discovery of the need for more satisfactory arrangements for the preservation of this collection. Will it take a catastrophic event to act as a catalyst? I do not suppose that the Potomac is about to overflow its banks and flood the Halls of Congress but there does come to mind the devastating floods in Italy last year which resulted in irreparable damage, particularly in Florence, to priceless objects of art and antiquity. We ought not to require some such calamity in order to bring ourselves to take adequate steps to conserve the treasures of the Capitol. I hope that we will not wait until we find ourselves in a position of being able to do too little because it is already too late.

I believe that there is a clear and compelling need for legislation now which would provide for the integrated safeguarding and display of the Capitol's art and antiquities. Therefore, I am reintroducing at this time a joint resolution to create a Commission on the Capitol's Arts and Antiquities. It would be comprised of the Speaker of the House, the President of the Senate, the chairman and ranking minority member of the Senate Rules Committee, and the House Administration Committee, and the Architect of the Capitol. It would, in addition, provide for the engagement of an outstanding professional curator to exercise responsibility, under the direction of the Commission, for the preservation and display of the works of art and antiquity in the Capitol.

I hope my colleagues in the Senate will see fit to renew the fine bipartisan support they have given to this proposal in the past. I am hopeful, too, that the House, on this occasion, will have the time to give the matter the careful consideration which it deserves and that the pressing desirability of taking this action will be interpreted into effective legislation during the current session.

On behalf of the distinguished minority leader [Mr. DIRKSEN], and myself, I send to the desk a joint resolution and ask that it be appropriately referred.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 27) establishing the Commission on Art and Antiquities of the Capitol, and for other purposes, introduced by Mr. MANSFIELD (for himself and Mr. DIRKSEN), was received, read twice by its title, and referred to the Committee on Rules and Administration.

CHANGE OF REFERENCE

On motion of Mr. Moss, and by unanimous consent, the Committee on Interior and Insular Affairs was discharged from the further consideration of the bill (S. 100) for the relief of Box Elder County School District, Utah, and the bill was referred to the Committee on Labor and Public Welfare.

IMPROVEMENT OF OPERATION OF THE LEGISLATIVE BRANCH OF THE GOVERNMENT — AMENDMENTS

AMENDMENTS NOS. 67 THROUGH 82

Mr. LONG of Louisiana. Mr. President, I submit a number of amendments intended to be proposed by me to the bill (S. 355) to improve the operation of the legislative branch of the Federal Government, and for other purposes. I ask unanimous consent that the amendments be printed and lie on the table, and that the amendments be printed in the RECORD.

THE PRESIDING OFFICER. The amendments will be received, printed, and will lie on the table; and, without objection, the amendments will be printed in the RECORD.

The amendments (No. 67) are as follows:

AMENDMENT NO. 67

Beginning with line 5, page 6, strike out all to and including line 20, page 6, and redesignate succeeding subsections of section 102 of the bill accordingly.

On page 7, in the second sentence which would be added to section 133(d) of the Legislative Reorganization Act of 1946 by section 102(d) of the bill (as inserted by amendment No. 35, agreed to January 26, 1967), immediately after the words "may be cast by proxy", insert the words "if rules adopted by such committee forbid the casting of votes for that purpose by proxy".

On page 7, in the fourth sentence which would be added to section 133(d) of the Legislative Reorganization Act of 1946 by section 102(d) of the bill (as inserted by amendment No. 35, agreed to January 26, 1967), immediately after the words "by each member of the committee", insert the words "if the committee by majority vote directs that such tabulation be included in such report with respect to such measure or matter".

Beginning with line 24, page 7, strike out all to and including line 25, page 9, and insert in lieu thereof the following:

"(e) Section 133 of that Act is amended by adding at the end thereof the following new subsection:".

On page 11, line 11, immediately after the period, insert closing quotation marks.

Beginning with line 12, page 11, strike out all to and including line 24, page 11.

Beginning with line 7, page 12, strike out all to and including line 21, page 13.

On page 13, line 22, strike out "(e)", and insert in lieu thereof "SEC. 133A. (a)".

On page 14, line 3, strike out the words "on at least one day of", and insert in lieu thereof the words "during the".

On page 14, line 21, strike out the words "conduct a hearing" and insert in lieu thereof the words "sit for any purpose".

On page 16, line 4, immediately after the period, insert closing quotation marks.

Beginning with line 5, page 16, strike out all to and including line 1, page 20.

Beginning with line 13, page 20, strike out all to and including line 7, page 21, and insert in lieu thereof the following:

"'(c) Each report of a committee of conference shall be printed as a report of the House of Representatives. As printed in the House, each such report shall be accompanied by an explanatory statement prepared by the conferees on the part of the House. Each such statement shall be sufficiently detailed and explicit to inform the House as to the effect which amendments or propositions contained in such report will have upon the measure to which it relates. If any conferee on the part of the House desires to submit to the House an additional individual explanatory statement with respect to any such report, such individual statement may be filed as an appendix to, and may be printed together with, the explanatory statement made by the conferees on the part of the House, if such individual statement is available at the time of the filing of the report of the committee of conference to the House. The report of a committee of conference with respect to any measure may be printed as a report of the Senate in the discretion of the conferees on the part of the Senate. If such report is so printed, it may include an explanatory statement with respect to that report prepared by the conferees on the part of the Senate.'."

Beginning with line 17, page 21, strike out all to and including line 10, page 30.

On page 30, line 11, strike out "Part 3", and insert in lieu thereof "Part 2".

On page 2, in the table of contents, strike out all items relating to Part 2 of title I, and redesignate "Part 3" as "Part 2".

On page 55, after line 2, insert the following: "For purposes of the preceding sentence, decreases in revenues derived from taxes or duties imposed by the United States which would result from the enactment of a bill or joint resolution shall not be considered as costs which would be incurred in carrying out such bill or joint resolution."

Beginning with line 23, page 56, strike out all to and including line 6, page 60, and insert in lieu thereof the following:

"SEC. 301. (a) Section 202 of the Legislative Reorganization Act of 1946, as amended (2 U.S.C. 72), is amended by adding at the end thereof the following new subsections:

"'(g) (1) Each standing committee of the Senate or".

On page 61, line 17, strike out "(j)", and insert in lieu thereof "(h)".

Beginning with line 6, page 63, strike out all to and including line 13, page 63.

On page 63, line 14, strike out "(e)", and insert in lieu thereof "(b)".

Beginning with line 8, page 64, strike out all to and including line 12, page 64.

On page 2, in the table of contents, immediately after the item relating to section 122 of the bill, insert the following new item:

"Sec. 123. Standing Rules of the Senate."

On page 30, between lines 10 and 11, insert the following new section:

"STANDING RULES OF THE SENATE

"SEC. 123. Rule 12 of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"4. A Senator who is absent with leave of the Senate and who would otherwise be paired on a question with a Senator or Senators who are present shall be permitted to declare his assent or dissent to the question by instructions deposited with the majority leader or the minority leader. No Senator shall be permitted to vote under the preceding sentence more than five times during any session of the Congress; and no motion to suspend this rule shall be in order, nor shall the Presiding Officer entertain any request to suspend it by unanimous consent.'."

On page 4, in the table of contents, immediately after the item relating to section 471 of the bill, insert the following:

"PART 7—ELECTRICAL VOTING SYSTEM IN SENATE CHAMBER

"SEC. 481. Electrical voting system in Senate Chamber."

On page 118, between lines 7 and 8, insert the following new section:

"ELECTRICAL VOTING SYSTEM IN SENATE CHAMBER

"SEC. 481. (a) The Architect of the Capitol, acting under the direction of the Committee on Rules and Administration of the Senate, is authorized and directed to take such action as may be required to provide for the procurement, installation, and operation in the Senate Chamber of electrical equipment for use in casting, recording, and counting votes and ascertaining the presence of quorums.

"(b) The expenses incurred in the procurement, installation, and operation of such equipment shall be paid from the contingent fund of the Senate on vouchers signed by the chairman of the Committee on Rules and Administration of the Senate."

The amendments submitted by Mr. LONG of Louisiana (Nos. 67 through 82) were separately numbered, and ordered to lie on the table and to be printed.

ADDITIONAL COSPONSORS OF BILLS

Mr. KUCHEL. Mr. President, I ask unanimous consent that at its next printing the name of the junior Senator from Hawaii [Mr. INOUYE] be added as a cosponsor to S. 531, to amend the Land and Water Conservation Fund Act of 1965.

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

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that the name of the senior Senator from Nevada [Mr. BIBLE] be added as a cosponsor of the bill (S. 646) to provide for the compensation of persons injured by certain criminal acts, at the next printing of the bill.

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

Mr. BOGGS. Mr. President, I ask unanimous consent that at the next printing of S. 483, a bill requiring the Veterans' Administration to give advance notice before any planned closing or relocating of a facility, the name of the Senator from Idaho [Mr. CHURCH] be added as a cosponsor.

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

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the name of the senior Senator from Hawaii [Mr. FONG] be added as a cosponsor of the bill (S. 18) to establish a Small Tax Division within the Tax Court of the United States, at its next printing.

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

Mr. HART. Mr. President, I ask unanimous consent that the name of the distinguished junior Senator from Hawaii [Mr. INOUYE] be added as a cosponsor of S. 260, the medical restraint of trade bill.

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

ADDITIONAL COSPONSORS OF BILLS

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

Authority of January 11, 1967:

S. 110. A bill to amend title XVIII of the Social Security Act and related provisions of law so as to eliminate the deductible and coinsurance features of the health benefits program established by such title, to permit women to qualify for such benefits at age 62, to include within the hospital insurance benefits provided thereunder services of certain medical specialists, to include prescribed drugs among the benefits provided by part B of such title, to include eye and dental care among the benefits provided under such part B, and otherwise to extend and improve such program: Mr. MANSFIELD and Mr. PROUTY.

S. 119. A bill 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: Mr. ANDERSON, Mr. BARTLETT, Mr. BAYH, Mr. BREWSTER, Mr. BURDICK, Mr. CASE, Mr. CLARK, Mr. COOPER, Mr. DODD, Mr. ERVIN, Mr. FONG, Mr. GRUENING, Mr. HART, Mr. INOUYE, Mr. KENNEDY of New York, Mr. LAUSCHE, Mr. LONG of Missouri, Mr. MANSFIELD, Mr. MCGEE, Mr. MCGOVERN, Mr. MILLER, Mr. MONDALE, Mr. MONTOYA, Mr. MORSE, Mr. MOSS, Mr. MUNDT, Mr. NELSON, Mr. PERCY, Mr. PROXMIRE, Mr. RIBICOFF, Mr. SCOTT, Mr. SYMINGTON, Mr. TYDINGS, Mr. YARBOROUGH, and Mr. YOUNG of Ohio.

S. 199. A bill to create the Freedom Commission and the Freedom Academy, to conduct research to develop an integrated body of operational knowledge in the political, psychological, economic, technological, and organizational areas to increase the nonmilitary capabilities of the United States and other nations in the global struggle between freedom and communism, to educate and train Government personnel and private citizens to understand and implement this body of knowledge, and also to provide education and training for foreign students in these areas of knowledge under appropriate conditions: Mr. CASE, Mr. DODD, Mr. DOMINICK, Mr. FONG, Mr. HICKENLOOPER, Mr. LAUSCHE, Mr. MILLER, and Mr. PROXMIRE.

Authority of January 18, 1967:

S. 513. A bill to amend the Public Health Service Act by adding a new title X thereto which will establish a program to protect adult health by providing assistance in the establishment and operation of regional and community health protection centers for the detection of disease, by providing assistance for the training of personnel to operate such centers, and by providing assistance in the conduct of certain research related to such centers and their operation: Mr. CLARK, Mr. GRUENING, Mr. HART, Mr. KENNEDY of New York, Mr. PELL, and Mr. TYDINGS.

S. 514. A bill to establish a Redwood National Park in the State of California, and for other purposes: Mr. KENNEDY of Massachusetts, Mr. LAUSCHE, and Mr. WILLIAMS of New Jersey.

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

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

By Mr. BYRD of Virginia:

Message of congratulations to radio station WAVA on the occasion of its 20th anniversary.

DISTAFF ANSWER TO VIETNAM CRITICS

Mr. BYRD of West Virginia. Mr. President, we on Capitol Hill have had a good many opportunities to hear expressions of views by our immensely capable Secretary of Defense. However, similar statements of views from the distaff side of the Robert S. McNamara family are rarer. I am, therefore, pleased to note that Mrs. McNamara on January 24, in a speech before the Women's Forum on National Security, here in Washington, D.C., spoke out in answer to critics of our Nation's participation in the Vietnam conflict.

She, also on that same occasion, stated her thoughts on a range of other subjects of local and national interest. While there are those of us who do not necessarily concur in all of Mrs. McNamara's views, the opportunity to have access to her thoughtful remarks is a welcome one, and I have secured a copy of her statement for insertion in the RECORD.

I ask unanimous consent that this speech be printed in the RECORD at this point.

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

REMARKS BY MRS. ROBERT S. MCNAMARA AT THE WOMEN'S FORUM ON NATIONAL SECURITY

Mrs. Ryan, and members of the Forum:

I am grateful for your invitation, and pleased to be here to participate in your deliberations.

It is surely a season for deliberation. One of the most positive characteristics of the

mood of our nation at the moment is that people *are* deliberating. People are pondering.

In a way, that is something rather special.

As a people, we Americans are intensely pragmatic. It is a good characteristic, and one that accounts for much of our spectacular growth as a nation.

We have a kind of healthy suspicion of the overly theoretical; of the abstract; and especially of the ideological. In a sense, America is a nation free of ideology.

We, of course, believe profoundly in the bedrock principles of freedom, liberty, and democracy.

But those principles are, in themselves, not so much an ideology, as they are a firm guarantee that Americans may believe in *any* reasonable ideology, providing only it does not violate the rights of others.

We are openminded about various ideologies in this country—including some which the vast majority of Americans are unlikely ever to agree with, much less adopt—but we do insist that their promoters abide by the laws; or if they do not agree with the laws, that they lawfully use the constitutional means available to get the laws duly and democratically changed. Students at Berkeley—my alma mater—clearly are exercising a similar prerogative.

Of course, there are some who say that our ideology is—and ought to be—"Americanism." But if one ponders deeply what that term really means, one inevitably comes back to those same fundamental principles of freedom and the rule of law which are summed up in the Declaration of Independence and the Constitution.

Our historical practice has been to look constantly for new and better ways of getting things done.

We have a kind of stubborn belief that there is nothing that can't somehow be improved.

We are far more interested, as a people, in economic practice than in economic principles; in political projects than in political philosophy; in social gains than in sociological speculation—in doing rather than in being.

It is not that we are not a thinking people. But the kind of thoughts we think are generally thoughts related to action: to practical, pragmatic, realizable goals. They are somewhat less often thoughts related chiefly to theories and abstractions.

We like to think of ourselves as a nation of *doers*; and we have done a monumental job in the fields of social action, research, and education—solely by volunteer contributions.

Indeed, Americans have a time-frame reference that sets us off from much of the rest of the world. We have, for example, a kind of passion about being prompt. Our friends in some parts of the globe are constantly amused at our persistent belief that 8 p.m. on a dinner invitation card really means 8 p.m.—and not 9:30, which the hostess actually expects.

But we have an even more interesting attitude towards time.

We foreshorten it.

By much of the world's standards we measure time by a different set of dimensions.

We are not very comfortable with the prospect of spending long stretches of time at almost anything.

It is understandable that Americans feel this way. Our nation is less than 200 years old. For America, history has always been in a hurry.

It is part of our pragmatism that we want to get things done; to tackle problems; solve them quickly; and then move on to something else.

As a people, we are constantly haunted with the almost helpless feeling that we just have not enough time to do all that we want to do.

One of the most common expressions one hears in America—whether it is in connection with reading a new book, or pursuing a new hobby, or taking on a new commitment of almost any kind—is the expression: "I'd love to. But I just haven't the time."

Time is perhaps the *only* absolutely equitably distributed commodity on earth. Every human being on the face of the globe is given *exactly* the same amount of time per day: 24 hours—not a second more, not a second less.

So what we really mean when we say we "haven't time" for something is simply that we are making a value judgment about it. We have mathematically the same amount of time as every other human being; but on our particular scale of values and responsibilities, we must allocate our time differently. Let us stop, look, listen and reflect as human beings. Let us ask ourselves: "Who am I? What do I want to be?"

One of the questions I am most often asked is: "How do you have time for some of the projects in which you are involved?" It is important to me to grow with the knowledge of the changing and challenging concepts of our economic, political and sociological future, while at the same time to work and see the possibilities of progress at the grass roots level—because that is where the action is.

Having been a member of the advisory council for the Office of Economic Opportunity gives one a clear view of the entire project against poverty.

Talking with young men and women, 16–21 years old, at various Job Corps camps gives you heart when you see how desperately these young people seize what they feel is their last chance in life to prove themselves.

T. S. Eliot in his Fourth Quartet has said, "We shall not cease from exploration and when we are through exploring we will arrive where we started and know the place for the first time."

If you explore the capital city of Washington I am sure you will find:

A city of 800,000 with no home rule;

No elected leader;

No elected School Board;

No community action until recently;

No constituents of the men in Congress who are on the D.C. Committees, and who are responsible for the growth and welfare of this beautiful capital city.

Its beauty is only tourist-skin-deep. Behind this beautiful and historic facade, we have all the problems of the urban impacted cities. The only difference is that we have no elected leadership representing the people that care whether we get an adequate budget, more jobs, education and housing, as soon as possible.

We must explore new ways of improving or changing in order to meet the problems of the big cities. We must not be afraid to get out of old tracks.

Solutions are not always so simple.

But we feel one of the new projects in Washington for Elementary school-age children—giving them paperback books of their own choosing—for their very own to do with them what they wish—we feel that this is a head start towards building our enlightened population of Americans, who will be able to read the issues of the future and contribute to our free democratic society.

No one is really *busier* than anyone else. The more profound truth is that all human beings are equally busy. But they are equally busy pursuing very unequal values.

One can be very busy doing nothing at all—if doing nothing at all is part of one's value system. [e.g.—letter]

Now it seems to me that all of this—our American preference for the practical over the philosophical; and our American disposition to get things done in a hurry—is all directly related to the most profound problems of our national security.

We enjoy many important—and in the end, decisive—advantages over our adversaries in Southeast Asia.

But there is one advantage, I think, that they may have over us.

And that is that they may feel psychologically somewhat more comfortable with the prospect of a long-range effort than we do.

Certainly, they suspect that our most vulnerable characteristic is that we lack persistence.

They do not doubt our commitment for the short-run. But they do not believe that we are a long-run people.

What we occasionally forget is that some things—by their very nature—*cannot* be done in a hurry.

It takes time for trees to grow—particularly strong and fruitful ones.

And it takes time for political and economic and social changes to mature—most especially strong and fruitful ones.

But no tree can grow if hostile trespassers are about, constantly trying to axe it down, and plant something else in its place.

The tree of political, social and economic development in South Vietnam is not yet a fully grown tree. It is a sapling with great promise. But it needs protection, and nourishment, if it is to blossom.

We have committed ourselves, as a nation, to help that tree to grow.

We are seeking to nourish it through generous non-military assistance.

But the real point is that trees take time to grow.

And from a psychological point of view, we Americans are not by inclination a tree-planting people. By inclination we prefer activities that do not stretch so indeterminately into the future.

That, I think, is the most difficult aspect of this war for us: its time-frame.

We do not know how long it will last; for it is a very different kind of war than we have ever fought.

We do not know clearly how long it will be before the tree of development in South Vietnam can stand securely rooted in safe soil, and ready to produce by itself, the fruits its people hunger for.

But what we do know is that if we flag in our efforts, the tree will be destroyed.

The assistance we are rendering the people of South Vietnam is making it possible for them to achieve what they themselves most want: sufficient internal development to stand on their own feet—without fear—and make their own decisions—without coercion.

Overly simple solutions to complicated human situations are almost always suspect—though they are frequently attractive by the very force of their simplicity.

The extremist critics of our defense of the people of South Vietnam—both the critics who believe we should abandon our efforts to help these people; and the critics who believe we should abandon our restraint and bomb North Vietnam off the map—it seems to me that the critics at *both* ends of this spectrum of discontent could afford, perhaps, to be a little less simplistic in this complaints, and a little more philosophical in their analysis.

Indignation is easy enough. Carefully thought-out alternatives are not quite so forthcoming.

In any event, I believe that responsible discussion is, in the end, immensely valuable. Not only is it every American's fundamental right. But to the degree that the discussion is serious, and not merely sentimental; to the degree that the discussion is profound, and not merely partisan; to the degree that the discussion is philosophical, and not merely pragmatic—to that degree will we all be a wiser people, and firmer in our resolve to carry out our responsibilities.

Human history is, of course—like man himself—full of ironies. And surely one of the greatest ironies of our 20th century is that though it has, on the whole, been one of the most massively destructive centuries of all

. . . with its two world wars . . . it has also had an increasing claim to becoming man's most constructive century.

The irony lies in the intrinsic ambivalence of the technological revolution.

Technology has in this century given us tools of unprecedented potential.

But even more momentous than the tools themselves are the managerial skills that have evolved in order to absorb, master, and optimize for human purposes the new technology.

As violent and irrational as the first half of our century has been, there are realistic grounds for concluding that the last third of this century can well become the greatest Age of Reason man has ever enjoyed.

For the technology of the Industrial Revolution of the last century—symbolized by steam—was primarily an extension of man's muscle.

But the technology of the current Communication Revolution—symbolized by the electron—is primarily an extension of man's brain.

We have increasingly at hand the tools for extending the thrust of man's reason into political, economic and social phenomena on a scale that has never before been remotely possible.

To say that we have the tools does not guarantee, of course, that we have the wisdom to use them well.

But wisdom is the fruit of reason; and reason—indeed even serious philosophical speculation—is enjoying a renaissance in America today in the most unexpected places!

For the task of the modern manager—be he in industry, in government, in the university, or in the home—is increasingly the task of deciding how to cope with radical change in almost every dimension.

The industrialist, the government official, the student—indeed, the housewife herself—must constantly ask the question: *what is it that I am trying to accomplish? How should I deal with a set of phenomena that are changing before my very eyes? Who, in fact, am I; and what is it that is to be done?*

Now these are all very philosophical questions.

The fact seems to be that for all the superficial sensuality of our era, we are—perhaps in spite of ourselves—fast becoming unwitting peripatetics in a kind of neo-Athenian Academy.

Irony of ironies, our era of radical change is making us into philosophers!

That, I submit, augers well for the last third of our century.

It augers well, not only for our national security—and for the security of mankind at large—but for the whole fabric and quality of human life.

For philosophy, quite literally, is the love of wisdom.

Life without reason, after all, is simply not human.

And conversely, life in the serious pursuit of reason is to be human at its adventurous best.

"That which is proper to a thing," noted Aristotle, "is for that thing best and most pleasant. In the case of man, the life of reason is the best and most pleasant life, since more than anything else *reason* is man."

That all of us ought to help to make the world more secure is but another way of saying that we ought all to help make the world more reasonable.

Apart from everything else, the task carries with it its own rich rewards.

For the love of wisdom is cheerfully contagious.

And a growing outbreak of wisdom in our world would be a happy epidemic indeed.

Thank you very much.

ORDER FOR ADJOURNMENT

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon on Monday next.

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

MEDICAL RESTRAINT OF TRADE ACT

Mr. DIRKSEN. Mr. President, the Subcommittee on Antitrust and Monopoly, of which I am the ranking minority member, has been conducting hearings on the bill S. 260, the Medical Restraint of Trade Act, which, if enacted, would prohibit doctors from dispensing drugs, devices, and so forth, including eyeglasses and contact lenses, even though the doctor feels it is in the best interest of treating his patient. Six days of hearings have thus far been held, but Members of Congress and the public have not been able to obtain reasons why the bill should or should not be passed, by a reading of accounts in some of the press which may mislead the reader. A quick perusal of some of the papers that come to the attention of Members of Congress would indicate that the reasons why the bill should not be passed hardly have been mentioned.

For the information of the Members of Congress and to inform the general public, I ask unanimous consent that the following be placed at this point in the RECORD: the opening statement of ROMAN L. HRUSKA and myself; statements made by eminent and qualified witnesses against the bill; and the statement of the former Chairman of the Federal Trade Commission, Earl W. Kintner on behalf of the National Association of Retail Druggists in favor of the bill. Mr. President, I also ask unanimous consent to have included with the other material, in the order enumerated, an article published in the Washington Post of January 27, 1967, pertaining to S. 260, the entire story being directed to a letter referred to at the January 26 hearing, but written to the chairman, July 26, 1966, and the aftermath resulting therefrom, although not one word was said in that story relating to the expert testimony of witnesses for or against S. 260 on that day. Also a letter dated January 21, 1967, from the president of the North Dakota State Medical Association to me.

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

OPENING STATEMENT BY SENATORS EVERETT MCKINLEY DIRKSEN AND ROMAN L. HRUSKA ON S. 260, BEFORE THE ANTITRUST AND MONOPOLY SUBCOMMITTEE, JANUARY 24, 1967

Mr. Chairman: As the record shows, hearings on doctor ownership in pharmacies and doctor ownership in repackaging firms were held in August, 1964. A report was issued by the Subcommittee with individual views issued by us. In July and August of 1965, there were five days of hearings on dispensing of eyeglasses by ophthalmologists. As a result of those two sets of hearings, the "Medical Restraint of Trade Act," S. 2568, was introduced in the 89th Congress and Senator Dirksen briefly commented on the matter at that time.

Today, we pose several questions about S. 260, the successor of S. 2568, that these hearings will, it is hoped, help to resolve.

S. 260 is directed at three specific, but completely disparate, situations.

The drug repackaging issue, according to the 1965 report submitted by the Majority, affects the 140 doctor-owned repackaging companies in about 30 states. This problem involves a very minute percentage of the 200,000 physicians in the United States. The report, at page 38, quotes Robert Throckmorton, General Counsel of the American Medical Association, as stating that it (the AMA) flatly condemns repackaging companies.

On the other hand, the record shows that approximately 55 percent of the eyeglasses are dispensed by optometrists with the remaining 45 percent of the eyeglasses being dispensed by prescription from ophthalmologists. These prescriptions are filled on a ratio of 40 percent by dispensing ophthalmologists and 60 percent by opticians who service the patients of the nondispensing ophthalmologist.

It should be noted at this point that the consent decree of 1951 supported by the Department of Justice provided that ophthalmologists could dispense eyeglasses individually or through a technician under their supervision. Further, the American Medical Association has deemed the practice of dispensing by ophthalmologists to be ethical under specifically stated rules and regulations.

S. 260, with exceptions therein set forth, however, contains a mandatory requirement that physicians cannot dispense drugs or devices, the latter term including eyeglasses and the like. If there are serious problems in the area of doctor-owned repackaging firms and/or doctor-owned pharmacies and/or dispensing of eyeglasses by ophthalmologists, Congress should treat each of these issues separately. The degree to which the above issues are serious varies greatly, according to the hearings held in 1964 and 1965.

The emotional overtone of issues involved in the alleged practices of doctor repackaging companies, for example, and the gravity of that problem, conceivably could place an unfair burden on the issue of whether ophthalmologists should dispense eyeglasses. Under S. 260, all of these problems are treated with the same severity—doctors shall not dispense.

Another problem arises from the fact that S. 260 would prohibit the ophthalmologist from dispensing contact lenses. It is a matter of public knowledge that there are several states which have laws prohibiting opticians from dispensing contact lenses. There are state attorneys' general opinions that have ruled that opticians cannot dispense contact lenses. If S. 260 is passed, the opticians in those states would be unable to fill the prescriptions of the ophthalmologist for contact lenses. The consequence is that a monopoly will be created in the contact lens business for the optometrist. An irony, indeed.

We understand that the staff of the Subcommittee intends that the definition of "practitioner" under Section 3 exempts optometrists. It is well known that optometrists examine and prescribe, if needed, just as do the ophthalmologists, and it is traditional that optometrists fill all of their own prescriptions. The point to be made here is that neither the optometrist nor the ophthalmologist should be covered under S. 260. Any provisions as to both of them should be deleted from this bill.

Several states have enacted laws dealing with doctor-owned pharmacies. None of these state laws attempt to include dispensing of eyeglasses by physicians within the same law. We believe that to be a wise course. Dispensing of eyeglasses by physicians, if it were treated by Congress, should be treated under a bill separate and apart from any dissimilar matters, such as doctor-owned repackaging firms and doctor-owned pharmacies.

We do not get into the merits of these issues. Such can only follow the develop-

ment of testimony during these hearings. One line of questioning appropriate to these hearings is brought to mind by a statement made to the minority by an eminent ophthalmologist. This man does not dispense, but he believes that a physician should be permitted to do so, if he feels it is in the best interest of his patients. His observation is this: "It is more ethical to dispense than not to dispense eyeglasses, the reason being that it gives better services and more conveniences to the patients, since the doctors would have less control over the quality if they did not dispense." Each witness, whether he be an ophthalmologist or an optician, should be asked if this quote is accurate and meritorious.

Another area worthy of exploration during the course of these hearings relates to the financial status of the following groups: ophthalmologists who dispense, opticians, and optometrists. Inquiry could be directed as of the date of the consent decree, as of five or eight years later, and as of the present time.

In conclusion, the 1965 Majority Report contained a helpful summary of the extent of state action. It showed that within a brief two-year period, five state legislatures had enacted legislation designed to limit doctor-ownership of pharmacies and/or repackaging companies. This does not indicate an inability or unwillingness on the part of the states to grapple with these problems. An updating of this information to the present time will be most helpful.

Of overriding importance here is the question of whether the federal Congress should attempt to inject itself into a situation which the states are competent to handle. This is particularly the case if the different conditions and the varying traditions of the various states suggest the need for different approaches. For example, 17 states impose a licensing requirement on opticians, while 33 states do not; obviously, this difference might affect the degree to which regulation of the dispensing of eyeglasses by doctors is considered appropriate in the various states.

STATEMENT BY RICHARD P. KATZ, M.D., VAN NUYS, CALIF., ON BEHALF OF THE EYE SECTION OF THE CALIFORNIA MEDICAL ASSOCIATION, TO THE SENATE SUBCOMMITTEE ON ANTITRUST AND MONOPOLY, JANUARY 26, 1967

Mr. Chairman and Members of the Subcommittee: Among all the healing arts, ophthalmology has made some of the most spectacular progress. We now have tiny lenses that are inserted into the human eye and correct defects of vision. These lenses truly make it possible for the blind to see. Surely the Subcommittee does not intend to prevent such modern miracles or to stamp out further research and advancement by qualified ophthalmologists—yet the medical restraint of Trade Act would do just that.

I am Richard P. Katz, M.D., of Van Nuys, California where I practice ophthalmology. I spent four years taking ophthalmic training at Duke University and University of London. This was over and above the nine years required after high school to the completion of my internship. I am a Diplomate of the American Board of Ophthalmology, an Associate Professor at the University of Southern California, past President of the Los Angeles Society of Ophthalmology and Otolaryngology, Chairman of the Advisory Committee of Ophthalmologists to the California State Department of Social Welfare and numerous other medical associations.

Nearly one-tenth of all of the ophthalmologists practicing in the United States do so in California. I am here on their behalf as the immediate past chairman of the Eye Section of the California Medical Association. With me is Theodore Steinberg, M.D., the President of the Fresno County Medical Association.

It is the feeling of the majority of California ophthalmologists that S. 260, which regulates eye care is unnecessary and creates undesirable results for the people of California.

Probably the most undesirable effect of S. 260 is the direct prevention of research in ophthalmic lenses by ophthalmologists. Lenses are just now being put wholly inside the human eye and sometimes used to replace the cornea. These are sight saving in persons who must otherwise remain blind. This can only be done by an ophthalmologist.

S. 260 is undesirable because it will prevent contact lens design and research by ophthalmologists. Documented loss of eyeballs and permanent scarring of the corneas attest to the need of ophthalmologists in this field. Contact lenses are fitted in much the way a dentist fits a denture and no one has yet suggested that a dental technician do all denture fitting. Contact lenses are fitted by alternate periods of wear and examination. *There is no prescription for contact lenses.* They have to be fitted so individually that they can seldom be duplicated without modification after they are placed on the eye. They may be fitted only by trial, modification and examination. Early signs of interference with the metabolism of the cornea must be guarded against and this requires medical judgment. Opticians and optometrists are licensed to fit contact lenses in California but when one of their patients have pain or injury it is the ophthalmologist that has to treat them.

S. 260 is undesirable because it tends to create a monopoly in the field of glasses and contact lens supply. At present, about 25% of the glasses are supplied by dispensing ophthalmologists, 20% by opticians and 55% by optometrists. I should like to call to the attention of the opticians that the elimination of the ophthalmologists from the field of supplying will not greatly increase the opticians' share of the glasses and contact lenses because the public will turn to the optometrists who have not been mentioned in S. 260 and who will still be permitted to offer a convenient one stop refraction and dispensing service.

S. 260 is undesirable because it legislates against one class of citizen, the physician and surgeon, whereas it permits others, the optometrists and opticians, to carry on the same acts. We would respectfully like to ask the subcommittee as to the constitutionality of such legislation.

S. 260 is undesirable because it deprives the various states the right to regulate their own physicians and surgeons. In California we are specifically permitted to supply glasses and contact lenses by law. The sales tax law also recognizes this as a part of medical practice by eliminating sales tax while it is charged when glasses are fitted by the dispensing optician. We are also forbidden to own any interest in any pharmacy by California law. Thus, the California legislature has seen fit to differentiate the supply of glasses and contact lenses on the one hand and drugs on the other.

S. 260 is undesirable to the many charitable clinics in California where the ophthalmologists give freely of their time and skills at no compensation. An example is the new 7.5 million dollar Jules Stein Eye Foundation at the University of California at Los Angeles which not only does the most advanced research but trains the residents in ophthalmology in the supplying of glasses to the clinic patients. Under this Act, the prescriptions would have to be filled elsewhere at commercial prices, thus creating need for more travel and additional financial burden on those who can afford it the least. In fairness it should be stated that some dispensing opticians also assist in other clinics where they work under the supervision of the ophthalmologists.

S. 260 is undesirable because it will result in higher prices to the public. Ophthalmologists dispensing glasses are usually 10%–15% under the dispensing opticians in California. Price surveys are not always valid unless they are for identical items. The "same type" of frame mentioned in previous testimony may be a cheap imitation of a quality frame and the lenses may be "first quality" of a second rate company but still not meet the exacting "Z80" standards of the optical industry.

S. 260 is undesirable because it leaves the ophthalmologist with the legal and moral responsibility of controlling the quality of the work done by the optician or optometrist that fills his prescription but it deprives him of the right of doing anything about it. If poor quality opticianary occurs, then to whom do the ophthalmologists present their problem and will more laws be enacted to correct these deficiencies?

S. 260 has partially taken into account the special problem of the community without an optical dispensary but what about areas where there are extremes of heat or cold? What about the aged and infirm? Will it be required that they leave the doctor's office for their glasses even if they are given a free choice of qualified dispensers or should an exception be made for this too? Ophthalmologists have traditionally gone into the homes of the bedridden to examine patients and supply glasses. Should this now be turned over to the opticians and optometrists or should this also be an exception? What should be done in the smaller towns where the optician is not able to handle the more complicated prescriptions? Should these be sent to a local optometrist?

S. 260 is unnecessary in California as the California Legislature has already decided in its good judgment that dispensing of glasses and contact lenses may be done by physicians and surgeons, optometrists and opticians. California law already prevents physicians and surgeons from owning any part of a pharmacy.

S. 260 is unnecessary in California because the public has long been used to the free choice of obtaining a portion of its glasses from the ophthalmologist. To my personal knowledge many ophthalmologists dispensed glasses in Los Angeles prior to 1935.

S. 260 is unnecessary because the percentage of ophthalmologists who supply glasses does not seem to be rising. A survey in 1950 showed that 50% of the ophthalmologists supplied some of their patients' glasses. In 1963 there were 41% and in 1964, 40.6%.

S 260 is unnecessary because the AMA and age of ophthalmologists who supply glasses does not seem to be rising. A survey in 1950 of Ethics is clear and has never prohibited the supplying of glasses by ophthalmologists. In 1954 a proposed change was suggested by the AMA Judicial Council which would have eliminated the supplying of glasses but this was never adopted by the AMA. At the same time, a resolution was passed by the American Optometric Association which stated "the field of visual care belongs exclusively to optometry and that it is the stated objective of the American Optometric Association that all other professions who engage in the field of visual care should be excluded from this field by the enactment of new statutes in all of the various states." This forced the AMA to again consider whether the supplying of glasses by the ophthalmologist was a part of his medical service or a sale of an appliance. They decided that it was part of a medical act but added that there should be no exploitation of the patient. The Eye Section of the California Medical Association believes that this should be strengthened and spelled out with detailed guidelines with a view to raising the standards of all ophthalmic dispensing.

About 30% of the ophthalmologists in Northern California supply glasses to their patients and about 70% of them do so in Southern California. The exact percentage varies with the individual community and whether it is metropolitan or rural. The California Medical Association and many of the County Medical Societies have passed

resolutions favoring dispensing by ophthalmologists.

In summary, the Eye Section of the California Medical Association feels that the present inclusion of ophthalmologists in S. 260 is undesirable and not in the public interest because it would:

1. Tend to create a monopoly;
2. Be a form of class legislation;
3. Deprive the various states of their regulatory power over physicians;
4. Damage medical research in ophthalmic lenses, contact lenses, and intraocular lenses, not to mention unforeseen future developments;
5. Result in higher prices;
6. Create a burden on those who traditionally get their glasses from ophthalmologists;
7. Leave the ophthalmologists with the dilemma of being legally responsible for his patient's eye care, yet by law not allowed to provide a complete service.

Thank you very much.

[From the Washington (D.C.) Post, Jan. 27, 1967]

TWO KENTUCKY DOCTORS CARRY FEUD TO CAPITOL HILL ON CONFLICT OF INTEREST

(By Morton Mintz)

A feud from the hill country broke out at a Senate hearing yesterday when a Kentucky physician was charged with selling unneeded medicines to a "mentally dull" crippled and impoverished youth.

The accusation was made by Dr. ———, in a letter to Sen. Philip A. Hart (D-Mich.).

"If the profit from a few pills can make a physician rob a poor ignorant cripple, I do indeed fear for the future of medicine," Dr. ——— said. "I believe we need laws to regulate this kind of conflict of interest."

He said that a physician he did not name had forced the youth, who works in a barber shop, to borrow $9.50—"two or three days' wages—from his employer for sleeping pills and arthritis medicine."

But ———, the charges were ridiculed by Dr. ———. His records, he said in a phone interview, show that he had billed the youth a total of $2 for an office visit, for a supply of prednisone and for sleeping pills. And, he said, it is now six months later and the bill isn't paid.

The feud shifted from Washington back to Kentucky after a reporter talked to the physicians by phone. Dr. ——— said he called up Dr. ——— and told him his letter was "stupid" and that he had retained a lawyer. "I think we hung up simultaneously," he remarked.

"Bill gets in these moods," he said. "He writes senators and calls the governor. He's a crusader. He gets each one of us (physicians) mad at him in turn. He's probably sorry he wrote the letter."

Dr. ———, a 41-year-old general practitioner who is the local hospital's anaesthesiologist, said that we will testify before Hart's Senate Antitrust subcommittee next month but refused to make any other comment.

He wrote the letter to Hart last July 26 and was to testify yesterday at a hearing on the Senator's bill to forbid physicians from profiting from their prescribing. On Wednesday, however, Dr. ——— wired the subcommittee that he would be unable to keep his date because of illness.

Hart put the letter in the record and read excerpts aloud before a television camera. He said the situation Dr. ——— described was "rather dramatic."

In the letter, Dr. ——— said the youth, who has had a dislocated hip from birth had come to the barbershop "with the urgent request to borrow $9.50 . . . he finally borrowed the money . . . and got his pills. . . . This boy did not need this medication. This is an example of what happens when doctors stop practicing medicine and start pushing pills. . . . Instances of this kind are very commonplace.'

Dr. ——— said, "It sounds like he (the youth) was trying to hit the boys up at the barbershop for the $7.50 extra," that is, for the difference between $9.50 and the bill of $2.

He also said that he and Drs. ——— and ———, who practice with him, have been dispensing the drugs they prescribe for three or four years. Their markups, Dr. Kirby said, "are not nearly as high" as those of the three drug stores in the town of less than, 5,000 population.

STATEMENT OF THEODORE STEINBERG, M.D., FOR THE CALIFORNIA MEDICAL ASSOCIATION, ON S. 260, MEDICAL RESTRAINT OF TRADE ACT, JANUARY 26, 1967

My name is Theodore Steinberg. I am a physician specializing in ophthalmology. I was graduated from the Massachusetts Institute of Technology in 1934, and I received the M.D. degree from Tufts University Medical School in 1938. I am certified by the American Board of Ophthalmology. I practiced ophthalmology in the United States Army from 1943 to 1946 and since then I have been in private practice in the San Joaquin Valley. I am the President of the Fresno County Medical Society, consisting of four-hundred and thirty-three (433) members and serving an area of about 2800 square miles, with a rural population of about one-half million. I am the chief consultant in ophthalmology at the Fresno Veterans' Administration Hospital; I am a member of the executive council of the California Medical Eye Council; I am Vice President of the National Ophthalmological Society; I am immediate past chairman of the eye section of the Fresno County Medical Society.

I appear here today as a representative of the eye section of the California Medical Association. I wish to present to you in particular the views of ophthalmologists practicing in rural communities and their patients. The Bill S. 260 as proposed raises questions regarding the ethics of ophthalmologists dispensing glasses, and implies that the service that an ophthalmologist renders to a patient in making and fitting the proper glasses for him is unimportant and superfluous. It is my intent to submit the basic contention that the dispensing of glasses in an ophthalmologist's office is not only ethical, but is an integral factor in improved care of the patient and for his greater convenience. Ophthalmological care is concerned not only with medical and surgical treatment of disease, but with optical care of patients as well. In this respect, the ophthalmologist has always had one unique function in addition to his other functions as a physician and surgeon, like a dentist who fits dentures. This is emphasized by the fact that the American Board of Ophthalmology, in its examination of candidates for certification, includes questions on physiological and physical optics as well as questions concerning the application and fitting of glasses.

The responsibility for the care of the patient's eyes does not end with the prescribing of glasses any more than the responsibility for the care of the patient in need of an appendectomy ends when the surgeon performs the surgery. Indeed it is the professional, moral, and legal responsibility of the physician to see his patient through. From experience, I am familiar with the problems encountered when referring a patient to an optician for filling his prescription. Whenever a mistake is made in either the grinding of lenses or in the judgment of the optician in selecting an improper frame, or in positioning of a bifocal, the patient is uncomfortable and dissatisfied. He does not blame the optician—he blames the doctor. Since the optician is not qualified or able to assess and analyze the reason for the patient's dissatisfaction, the patient is put to the inconvenience of another visit to the opthalmologist and consequently to additional expense. A case in point is the patient who is operated on for a cataract. The dispensing ophthalmologist is infinitely more capable and better suited to provide the optical care needed by such a patient. Post-operatively, such a patient requires a strong and complicated lens. Unless the lens is not only properly made, but properly centered and positioned, the patient's ability to see is immeasurably impaired. The patient does not attribute unsatisfactory vision to the optician, but to the surgeon, although the surgical result may have been perfect. Apropos of this type of patient, one seriously questions the wisdom of allowing an unsupervised lay person, unfamiliar with the concepts of sterility, to put glasses on a post-operative cataract patient. To deprive the ophthalmologist of his right to dispense glasses whenever he sees fit would be to deny him the opportunity of providing his patient with competent and complete care under his personal supervision and responsibility.

Opticians have likened themselves to pharmacists. There is no similarity between them whatsoever. A pharmacist is a trained individual in his own right and in my state, California, licensed on the basis of a rigorous examination following a prescribed course of study at a university pharmacy school for at least five and usually six years. Yet in filling a prescription, a pharmacist exercises no judgment as to the type or mode of vehicle in which the drug is dispensed. This is not the case with the optician. Contrarily, he has no training to speak of. Thirty-seven states have no licensing laws for opticians. In the thirteen states that do have licensing laws, the requirements are minimal and irrelevant. For example, in California an individual needs only to serve an unregulated five-year apprenticeship in order to be licensed as an optician. No formal training is required, no examination as to elementary knowledge or skill, not even a high school diploma. Yet, unlike the pharmacist, the optician assumes functions requiring knowledge and judgment which affect the product. A physician cannot verify the work of a pharmacist in compounding and supplying medications without elaborate chemical analysis, but he can verify the accuracy of the work of an optician and determine whether or not his prescription order has been carried out. In fact, it is the physician's moral and legal obligation to do so, to relieve himself of liability. A more valid comparison would be the dentist, who supplies dentures to his patients. No one would suggest to send a patient to an untrained person to be fitted with a set of dentures. The symptoms produced by ill-fitted dentures are obvious and quickly remedied. But the symptoms produced by ill-fitted glasses are more subtle, insidious, and progressive. Headache, nausea, dizziness, and vomiting are more difficult to evaluate as to cause, and all too often, the patient is subjected to expensive diagnostic procedures, when proper optical care in the first place would have rendered it all unnecessary.

I have practiced ophthalmology in a rural area for twenty years and I am familiar with the special problems associated with such areas and suburban areas, where younger ophthalmologists have been encouraged to settle in order to provide and distribute better eye care. In such areas there are other factors which influence the supply of glasses by the ophthalmologist to the patient. In some communities, there is absence of a commercial source of glasses. In others, a commercial source may be available, but the quality of performance is less than satisfactory. It should be pointed out that approximately forty-three per cent of all ophthalmologists are practicing in smaller cities, from five thousand to fifty thousand population. In these areas, patients come from great distances and it is a distinct inconvenience for them to be required to make more than one trip to more than one location to obtain complete medical eye care. They must go to the ophthalmologist for the exam-

ination, to an optician's establishment for the fitting, then back to the optician for delivery of the glasses, and then back to the ophthalmologist for inspection in order to determine whether the glasses are what they were supposed to be. When the patients are either young or elderly, there is the additional disadvantage that they have to be brought by friends or relatives who take off from work additional time, thus producing an economic loss. The elderly and the infirm patients are exposed to additional hardships in areas of the country where the climates are at times, extreme, such as in my area where the temperature during five summer months may range up to 110 degrees.

In Fresno County, the ophthalmologists conducted a survey where patients were given their prescriptions and, as always, were offered a free choice to take their prescription to any competent dispensing optician to have it filled. 1.8% asked to take their prescription to an optician; 5.4% asked to take their prescription to an optometrist; and 92.8% requested that the prescription for their glasses be filled in the ophthalmologist's office, and under his responsibility.

If ophthalmologists are prohibited from dispensing glasses, the only remaining sources for the supply of glasses to the public would be the optometrist and the optician. Many patients, particularly of lower educational and economic background, who are accustomed to interpreting an eye disorder as a "need for new glasses" will turn more to optometrists for consultation. This will result in delay or failure of referral to the ophthalmologist in those cases where prompt medical care is essential. The consequence of such delay in many cases may be irreparable harm to the eye or result in complete blindness. Not infrequently impaired vision is the first symptom of brain tumor or other serious neurological diseases and early diagnosis is vital.

There is one concluding point which I would like to submit for your consideration. It is the question of conflicting interests on the part of the dispensing ophthalmologist. The bill before you questions the honesty and integrity of the physician, but it does not question the same qualities in the optician. It implies that an ophthalmologist who supplies glasses to his patients in his office will do so even when none are really needed. High standards of ethics cannot be legislated, an ophthalmologist who will prescribe un-needed glasses has within his power to prolong the treatment of a simple and trivial eye disease from one visit to twenty visits; he has within his power to perform unnecessary surgery; in fact, to do a host of things for the sake of monetary gain. Similarly, a dishonest optician has within his power to use second quality lenses, discontinued frames to prevent replacement, and charge prices not consistent with the quality and cost of his materials. He has within his power to parade apprentices as qualified opticians and even coerce ophthalmologists to refer patients to him. A dishonest person is dishonest no matter what his field of endeavor. To indict physicians on the grounds that it is possible for any person to be dishonest is a derogation of the entire medical profession.

To qualify as an ophthalmologist, one is required to spend a minimum of twelve years of study and training after high school, and one is subjected to mastery of exacting techniques and disciplines. Is it not fair to assume that such an individual would be no less exacting about his optical skills and the materials that he prescribes for his patients, who expect the best from him? An individual who can be trusted to safely perform ocular surgery or treat an acute medical eye condition for a fair and just fee, without an overpowering profit motive, will take no advantage of his patients when it comes to dispensing glasses. To assume otherwise is to destroy the justified faith and confidence that the public has and has had in the physician, in the surgeon, or any otherwise specialized person.

Bill S. 260 is being introduced by the Subcommittee on Anti-Trust and Monopoly on the supposition that an individual opthalmologist constitutes a monopoly, while chain optical companies, some of which have as many as fifty-nine branch establishments in just one state, are not considered a monopoly. I dare say the opposite is the fact.

Mr. Chairman, I wish to thank you for this opportunity of presenting the views of the California Medical Association. I will now be pleased to answer any questions which the committee may have.

STATEMENT OF JOSEPH M. DIXON, M.D., ON BEHALF OF AMERICAN ASSOCIATION OF OPHTHALMOLOGY, TO THE SENATE SUBCOMMITTEE ON ANTITRUST AND MONOPOLY, JANUARY 31, 1967

Mr. Chairman and Members of the Committee: My name is Joseph M. Dixon. I am a physician licensed to practice medicine and surgery in the States of Virginia, West Virginia, and Alabama. I specialize in diseases and surgery of the eye and practice in Birmingham, Alabama where part of my work is with contact lenses, which I furnish; but I do not supply eye glasses.

Professional positions I hold at this time are as follows:

1. President Elect, and Chairman of the Contact Lens Committee of the American Association of Ophthalmology.

2. President Elect of the Contact Lens Association of Ophthalmologists with a membership of 600 physician eye specialists interested in contact lenses.

3. Associate examiner of candidates for certification by the American Board of Ophthalmology. I am also certified by the Board.

4. Member of the American Medical Association Study Committee on Ophthalmology.

5. Consultant to the Surgeon General of the U.S. Public Health Service for the past 3 years.

6. Associate Professor of Ophthalmology at the University of Alabama Medical Center and Director of the Eye Pathology Laboratory.

During World War II, I served 5 years in the Army as Hospital Commander, and Professor of Military Science and Tactics with the rank of Lt. Colonel.

I am a past president of the Alabama Academy of Ophthalmology and Otolaryngology.

During the past 7 years I have directed a program of research at the University of Alabama to study the changes in tissues of the eye caused by wearing contact lenses and have published scientific papers on this subject.

Today I represent the American Association of Ophthalmology with a membership of nearly 3000 physician specialists in diseases and surgery of the eye.

In my understanding, a contact lens is an optical device as defined in Section 3(d) of this Bill because it affects the visual function of the human eye. Licensed and practicing Ophthalmologists are practitioners as defined in this act because they are qualified to administer drugs or devices in the practice of medicine for the diagnosis, cure, or prevention of disease of any structure or function of the human body. Ophthalmologists are physicians who specialize in diseases and surgery of the eye.

The proper fitting of contact lenses includes a medical examination for disease of the eye and the use of drugs. The contact lens is a foreign body in contact with delicate eye tissues. It sometimes leads to serious complications that require emergency medical diagnosis and treatment. A report by our Association in the Journal of the American Medical Association, March, 1966, has documented 14 instances in which eyes were blinded by contact lenses and 157 others permanently damaged. (Exhibit A.)

Proper and improper fit of contact lenses is determined in part by the diagnosis of abnormal eye changes.

Many ophthalmologists fit contact lenses in their own offices and the supply of these lenses is a part of the professional service to the patient. Other ophthalmologists prefer to make the professional examination then use the services of a competent technician who supplies the lenses. The patients then report back to the ophthalmologist for medical eye care.

In some patients contact lenses are used for the treatment or correction of eye diseases or injuries, such as burns of the cornea; corneal scars; irregular astigmatism; albinism; aniridia; and following corneal transplants. In other cases lenses are placed in the eye or in the cornea by a surgical operation.

In my State of Alabama dentists and ophthalmologists are exempt from collecting a sales tax on dentures and contact lenses because this is considered to be a professional service and does not constitute a sale of merchandise. This professional service could not monopolize trade or restrain commerce because none but a physician can diagnose and treat eye diseases or complications due to wearing a contact lens. Is it not a distortion of fact to say that these acts are trade or commerce?

As I read your proposed Bill S. 260 as a physician, questions come to mind that disturb me, such as the following:

1. Under Section (2) is it necessary for the device (contact lens) to be in interstate commerce to be a violation? May physicians purchase lenses manufactured locally and fit them to patients in their own offices? Some buy partly finished lenses locally and modify them to properly fit the patients' eyes in their own offices. A few make the entire lens from a small button of plastic. When these lenses are furnished to no one but their own private patients, are these physicians restraining trade or commerce?

2. As I read the Bill, I am a practitioner qualified to administer the device (contact lens which affects the visual function of the human eye). Under Section (4) I am in violation if I "sell" the device if it is *available* at an *available* optical dispensary. If I fit the lens to the eye of my patient, and the patient pays a professional fee which includes the lens, have I *indirectly* sold the device under Section 4(a)?

If the patient pays a professional fee for his medical examination and fitting the lens to his eye, then reimburses the physician for his laboratory cost of the lens; is that a sale under this Bill?

4. Under Section 3(e) it is not clear to me what an optical dispensary is. This term, optical dispensary, is defined as any office, shop, or establishment which engages in the sale at retail or wholesale of optical devices which affect any function of the human eye. In my own area this includes the dime store which sells reading glasses, the drug store which sells sun glasses, which affect the function of dark adaptation of the eye, the dispensing optician, and the optometrist. Many of these places advertise in the telephone directory that they also sell contact lenses. (Exhibit B) They are "available" as defined in this Bill. They are also "optical dispensaries" as defined in Section 3(e) of this Bill. Are these places clean and sanitary? Have they heard of pseudomonas aeroginosa, endothelial dystrophy, filtering cicatrix, or candida albicans? Unfortunately, each of these has caused blinded eyes because a contact lens was on the eye. This Bill does not define the qualifications of an optical dispensary. It only specifies that it sell merchandise.

5. The difference between fitting a device

and selling a device is not clarified by S. 260. When a device is fitted by a physician as a necessary treatment for a disease, how is the device paid for? If there is an available optical dispensary, (Section 3(e)), is the physician prohibited from putting the lenses on the eyes of his patients? If he is not prohibited from performing this medical act, where does he get the lenses? Must the patient go to the available optical dispensary, buy the lenses, and bring them to the ophthalmologist to place on his eyes? Is the patient compelled to buy the lenses from the available optical dispensary regardless of the cost or quality of the lenses? Or is the ophthalmologist compelled to buy the lenses from the same available dispensary in order to safely fit them to his patients' eyes by medical judgment, regardless of their cost or quality?

6. Section 4 prohibits a practitioner from directly or indirectly selling drugs or devices (contact lenses) unless there is no pharmacy or optical dispensary reasonably available as a source. What is meant by "available?" Is the patient walking, riding a bicycle, driving his automobile, young and active, or old and feeble? How far does trading area extend? Fifty or 100 miles?

7. What happens if the available dispensary damages my patients' eyes? Could I stop sending patients there? Under Section 8 could the available dispensary sue me if I do?

8. How will patients be protected from an unscrupulous available optical dispensary when the patients' physician is in fear of a damage suit?

9. How will the conscientious physician be protected from an unscrupulous or incompetent optical dispensary which happens to be available but may sue the physician for damages from restraint of trade if he interferes?

10. What happens to my patients who are now wearing contact lenses? I have all of their exact measurements, and many of these people are scattered over the country as students in universities from New England to California. When they call by telephone for a duplicate of a lens they have lost, do we say, "Sorry, that's restraint of trade"? Or do we help them out and take a chance on being sued?

11. What do I do about my confidential office records when the available merchant demands them to use to sell his merchandise? If I refuse, is that restraint of trade?

12. When there are 20 available optical dispensaries in my area and in my judgment as an ophthalmologist I refer all patients to one because of superior quality, do all the other 19 sue me under Section 8 of this Bill, or am I compelled to divide the patients equally among all 20?

13. Since contact lenses cause many medical problems, some of which are serious enough to blind an eye; I am concerned about the welfare of my patients. Should this Bill become law, to whom do I turn for the answers to these questions?

Finally, we strongly support the position of Senator Hart and the American Medical Association in opposition to physicians accepting rebates from merchants or optical dispensaries, exploitation of patients, or other similar evils. We do not support S. 260, however. It would impose class, arbitrary, unrealistic, and impractical restrictions on physicians who seek to protect one of man's most precious gifts, his eyesight. We do not appreciate being placed in a position of fear, fear of what we may or may not do for our patients. We do not support a bill which requires us to make legal as well as medical judgments in our medical practice.

Mr. Chairman, Dr. Beitel and I wish to thank you for this opportunity of presenting the views of the American Association of Ophthalmology. We will now be pleased to attempt to answer any questions which the Committee may have.

STATEMENT OF ROBERT J. BEITEL, JR., M.D., ON BEHALF OF THE AMERICAN ASSOCIATION OF OPHTHALMOLOGY, TO THE SENATE SUBCOMMITTEE ON ANTITRUST AND MONOPOLY

Mr. Chairman and Members of the Committee: My name is Robert J. Beitel, Jr., M.D., and I would like to present information regarding the supply of eyeglasses and drugs, and some considerations of Senate Bill No. 260 in practice and principle as it might affect medical service. I represent the American Association of Ophthalmology.

The American Association of Ophthalmology (formerly National Medical Foundation for Eye Care) was organized approximately 10 years ago by a group of outstanding ophthalmologists, dedicated to the fundamental principle of education—education of our colleagues—education of the American people in matters pertaining to complete medical eye care. This group of nationally known ophthalmologists, headed by the late Dr. Ralph O. Rychener, included professors of ophthalmology, directors of departments of ophthalmology (full time and part time) and leading ophthalmologists in private practice from all sections of the country.

The basic objectives of the founders of the American Association of Ophthalmology in the public interest, remain the same today.

As members of the American Medical Association, we subscribe to the Principles of Medical Ethics as established by the A.M.A. We are an organization composed of ophthalmologists who do not dispense glasses and ophthalmologists who do dispense glasses in the care of eye patients.

We support the immemorial right and responsibility of the ethical physician to decide for himself "what is best" for his patient in all circumstances and to administer these services consistent with the principles of ethics of the A.M.A.

I am a physician licensed to practice medicine in the State of Pennsylvania. I specialize in diseases and surgery of the eye and practice in Allentown, Pennsylvania. My background, training and experience include the following:

(1) A graduate of the Pennsylvania College of Optometry, Philadelphia, Pennsylvania and licensed to practice optometry in the State of Pennsylvania from 1929 until my resignation of that license when I began to practice ophthalmology.

(2) A.B. Degree from Temple University, Philadelphia, 1932. Master of Arts and Doctor of Philosophy Degrees from Clark University, Worcester, Massachusetts, where I did research and specialized in psychological and physiological optics, the results of which research have been published.

(3) Service as a member of the Bureau of Visual Science, a technical division of the American Optical Company, Southbridge, Massachusetts.

(4) During World War II, I was Project Supervisor for the Office of Scientific Work and Development under the National Defense Research Council and conducted research under these auspices at the Dartmouth Eye Institute, Hanover, New Hampshire. Upon conclusion of the War, I entered Dartmouth Medical School, completing its first two preclinical years and completed my medical education at Temple University Medical School, Philadelphia. My post-graduate requirements in ophthalmology were obtained at Temple University Shool of Medicine, Department of Ophthalmology, and I also had special training in the American Academy of Ophthalmology and Otolaryngology Basic Science courses, and in Pathology at the Armed Forces Institute of Pathology.

(5) For some years I was instructor in Ophthalmology at Temple University Medical School.

(6) I am a Diplomate of the American Board of Ophthalmology and a member of various medical organizations.

At the present time I hold the following offices:

(a) A member of the American Medical Association's Study Committee on Ophthalmology.

(b) Third Vice-president and trustee of the American Association of Ophthalmology.

(c) Chairman of the Conservation of Vision Committee of the Pennsylvania Academy of Ophthalmology and Otolaryngology.

(d) Consultant in Vision to the Council on Scientific Advancement of the Pennsylvania Medical Society.

(e) President-Elect of my local Lehigh County Medical Society.

FACTUAL PREMISE

Eyeglasses are a form of treatment for a physical condition which is a departure from the normal and which gives rise to symptoms. They are prescribed not only for simple optical defects ("error of refraction"), but also to compensate for inadequacies of the focusing mechanism resulting from disease, injury, surgery or the aging process, which also give rise to symptoms. The symptoms may be indistinguishable by the patient from those of the most serious eye diseases, such as glaucoma. Examination and diagnosis by the physician is therefore not carried out for one condition in isolation from the others. The management of the refractive problem is thus an incident in the general medical care of the eye patient.

The medical management of "errors of refraction" and inadequacies of the focussing mechanism consists of:

(1) Diagnosing the nature of the optical defect and its significance, per se, and determining the lens which will optically compensate for it.

(2) Diagnosing the significance of this optical defect as it may be related to other departures from the normal (diseases) which may also be present and diagnosed.

(3) Prescribing the optical characteristics of the lens when relief of the abnormal optical condition by eyeglasses or other visual aids is indicated.

(4) Making anatomical measurements of the face and stipulating the laboratory specifications for preparing the eyeglasses—frames and lenses—on the basis of the optical prescription data and the facial measurements so that eyeglasses may be promptly prepared which, when adjusted, will have the optical effect prescribed by the physicians. Without this service, prescription eyeglasses cannot be supplied and the optical prescription data are useless.

(5) Providing the eyeglasses or causing them to be supplied in conformity with the specifications.

(6) Fitting the eyeglasses by adjusting the frame, with reference to the eye, to the anatomy of the head, especially the nose and ears, and maintaining this fitting over a period of years. Without this service the eyeglasses may not even be useable.

(7) In many instances, forms of optical correction, other than eyeglasses will be deemed necessary. These may take the form of contact lenses, intra-ocular lenses of the Ridley type, intra-corneal lenses, telescopic spectacles, or subnormal vision aids. No attempt will be made here to describe the intricate and complex procedures involved in their application.

Suffice it to say, all of these procedures are within the province of the physician. Such treatment by the physician is the practice of medicine.

"Moreover the physician does not make sales, and his dispensing of eyeglasses or contact lenses as well as other devices or pharmaceuticals is clearly not a sale in the legal sense, but rather is merely an incident of his rendition of a professional service." (F. J. L. Blasingame, M.D., Executive Vice President, A.M.A., in letter June 4, 1962 to Federal Trade Commission.)

The nature of three of these services, (4, 5, and 6) permits their delegation. The measuring and fitting is commonly delegated to a non-physician whose technical competence

the physician has determined and who may or may not be in his employ, but over whom he exercises direction.

If the delegation of the measuring and fitting services is to someone not in the physician's employ, the procurement and *supply* of the necessary eyeglasses is customarily simultaneously delegated. Conversely, when the physician directs the patient to an optical shop to have the prescribed eyeglasses provided, he is delegating to the optician not merely the supplying of the required eyeglasses, but all of the fitting services—facial measurement, specification writing, and fitting and adjustment. (A substantial number of patients, however, procure their eyeglasses, but not fitting services, from their industrial employers in the form of prescription safety glasses. Under this circumstance all of the fitting services must be provided, according to the physician's practice, either by the physician and his staff, or, on his delegation, by the optician.)

The fitting of eyeglasses is not something for which an order can be written on paper with every detail clearly defined, but is like the fitting of a cast, differing only in the degree to which the fitting can be prescribed and delegated. Unlike drugs, which require no technical service once prepared, eyeglasses require the performance of technical services not only in the laboratory but *directly with reference to the person of the patient.* The fitting of eyeglasses is not necessarily a benign service, as is evident on occasion by dermatitis, and injuries to the nose and ears—the pathological results of poor fitting.

It is the right and duty of the physician to provide or cause to be provided whatever service or medical item the patient's medical care requires. From time immemorial the physician has exercised his right to assign to a non-physician under his direction the performance of technical procedures whose delegation is consistent with sound medical practice. Under certain circumstances the *provision* of a service, as well as its performance may be delegated; this is the procedure that is being followed when the physician refers a patient to an optician for the supply of eyeglasses.

The American Association of Ophthalmology in 1963 established and published the fact that 42% of all physicians in ophthalmology include the service of fitting eyeglasses in their practice, while 58% delegate the fitting to the optician. Preliminary investigations indicate that this service has been supplied in physician's offices for several generations (sometimes the same medical office) and in many for the past 20 or 30 years.

Whether or not the physician delegates, he remains morally and legally responsible. No different principle applies to one physician than to another by virtue of the form of his service, or whether he delegates or provides the fitting and supply of eyeglasses.

The physician's first responsibility is to his patient, and he must fulfill that responsibility through the best exercise of his professional judgment. If, in his medical judgment, the physician determines that it is in the best interest of his patient that the physician himself or technician under his direction should fit the eyeglasses, then he should be free to make that decision. Whether and what the physician is to delegate must be his decision.

Consumer groups have developed prepayment plans for payment of eye examination and for lenses. In some cases union-management welfare plans with such benefits stipulate that the eyeglasses are to be provided by the prescriber.

Industries which supply prescription protective lenses sometimes assume the cost of eye examination by the physician. In some instances they too, have stipulated that the physician provide the combined services of examination and fitting.

Wherever the employer supplies protective prescription glasses, the required services include not only examination and prescription, but also fitting.

Therefore certain fundamental principles in the supply of glasses and lenses from whatever source must be recognized:

(1) When the medical care of the patient requires the use of eyeglasses, the patient should be so advised.

(2) The patient should understand that he may obtain optical aids from any qualified source he chooses. The physician, on whom rests the ultimate responsibility for treatment, must fulfill his responsibility to his patient through the best exercise of his professional judgment. He must reserve the right to advise the patient where he may obtain proper quality of material and workmanship, and medically acceptable fitting. (This may be properly accomplished by having available a list of qualified dispensaries within his area of service.)

(3) It is to the patient's interest that the patient be supplied with a copy of his lens prescription and such specifications as the physician may deem indicated to enable him to obtain necessary service in emergency, e.g., in travel, from another physician or from an optician.

(4) Accuracy and acceptability of eyeglasses can and will be determined by the prescribing physician. The physician will require, and assure by adequate inspection, that from whatever source his patient is provided with eyeglasses, the quality of materials and workmanship shall meet medically accepted standards. The prescribing physician determines whether eyeglasses are acceptable.

(5) When the physician provides for the fitting or fitting and supply of eyeglasses to his patient, this service is an integral part of his medical care of the patient. The physician will avail himself of the assistance of technical personnel in this area on the same basis as he does in other areas of his medical practice where he is assisted by professional and technical personnel in his office.

(6) The cost of fitting and supplying of eyeglasses to his patient is the proper concern of the physician whether he provides these services or delegates their provision to other sources.

(7) The physician's prescription is for eyeglasses, not merely lens powers; the optician may supply only those eyeglasses which the physician prescribes.

PROSTHESES

Testimony on the subject of contact lenses will be presented by Dr. Joseph M. Dixon for the American Association of Ophthalmology.

Artificial eyes, like contact lenses, alter body tissue, and how they are to be supplied must be determined by the physician.

The procedures involved in the use and application of intra-ocular and intra-corneal lenses and prosthetic implants, involving surgery as they do, can be performed only by a physician. The necessary medical item will be supplied only by the physician or by the hospital.

With respect to the supply of drugs:

(1) Those considerations that apply generally to the dispensing of drugs in the office by the physician to his patient generally apply to the ophthalmologists.

(2) Two categories of ophthalmic drugs merit special consideration. These are mydriatics/cycloplegis and miotics. The potential hazards in the use of these drugs and the high stakes involved may require that the physician supply drugs in these categories when he may not find indication to supply drugs in general.

(3) Our survey showed that 10% of ophthalmologists supply mydriatic/cycloplegis and another 3.5% supply miotics. A small percent (10%) supply some other drugs.

The total medical and economic interest and the convenience of the patient must be the considerations in all of the physician's decisions.

We are opposed to S. 260 for the following reasons:

1. *The bill places restriction on the physician's license*

The principle involved in any restriction of the right of the physician to delegate or not to delegate, and to determine to whom he delegates, is applicable to all areas of medicine.

The license to practice medicine in almost all states authorize "the use of any means" to treat any physical condition. In a number of states (e.g., Ohio, Michigan, Vermont, South Carolina) the law specifically defines the supply of an appliance and/or drug as the practice of medicine. In the State of California, physicians are specifically authorized by virtue of the license to "dispense eyeglasses". In a number of states (e.g., Indiana) the sales tax law identifies the physician (as it recognizes the dentist) as the consumer of materials necessary in the treatment of the patient, not as the "seller" of eyeglasses.

The bill S. 260 constitutes a limitation on the practice of medicine and a reduction of the rights granted the physician—licensed by the state to practice medicine without limitation. The successful restriction of the physician's right of choice to delegate the service of fitting eyeglasses would open a Pandora's box by setting a legal precedent for any ancillary group to seek by means of legislation the power to compel the physician to be subject to the discretion or indiscretion of his supporting worker or ancillary group.

For example, to mention but a few, the physician's decision to:

(a) perform laboratory procedures or to delegate to his own personnel or to an outside laboratory;

(b) fit a prothesis of any kind or to designate who shall fit;

(c) develop his x-ray film or to make the film exposure, or to determine who shall do either.

(d) give a blood transfusion or intravenous or to delegate this under his decision.

The imposition of a restriction on the physician's use and supply of eyeglasses or contact lenses, or other optical aids is a restriction on the patient as to the sources from which he may procure his eyeglasses. In many instances so-called "opticians" are, to be precise, optical business firms, sometimes large corporations, which employ optician-fitters or both optician-fitters and optometric refractionists, while the owners and/or managers may also not possess technical or professional skills in these areas. In many other instances where the establishment is individually owned and operated, the same individual owner or major stockholder of a corporation may be an optician-fitter or both optician-fitter and optometric refractionist. To require the physician's patient to procure his eyeglasses from such a source merely because the source is available is to require that the phyiscian submit his patient and that the patient expose himself to circumstances that can and have been known to lead the patient to a misunderstanding of the nature of the eye care rendered only by a physician, with the result that he may thereafter discontinue medical care and accept in lieu thereof simple optical services without prior examination by a physician. To restrict the physician's right to practice medicine or to hamper the physician in his practice of medicine by making it unlawful for the physician to provide certain services to his patients for the purpose of advancing

the economic interests of others is not in the interest of the public and infringes the rightful interests of the licensed physician.

2. *The bill proposes an impractical practice*

We are aware that S. 260 which is before the Congress would authorize the supply of drugs or medical appliances "in an emergency." If the ophthalmologist is prohibited by law from furnishing optical service in the routine care of his patients, there is no way he could provide this service in emergencies since he would not be able to maintain adequate supplies, equipment, facilities and personnel.

3. *The bill is discriminatory*

The bill places restrictions on one supplier of eyeglasses, the physician, which it does not place on the other suppliers—the optometrist and the optician. Of these three groups, physicians supply the *smallest* fraction of eyeglasses to American people. The elimination of the physician from this area would often impose great inconvenience on a patient or require him to visit non-medical persons where he may be exposed to suggestions that he discontinue medical care for his symptoms of disturbance of vision.

4. *The bill attempts to regulate with civil penalties an intrastate activity*

Where it attempts to regulate practices in medicine in each state in order to strengthen the Anti-trust laws, we believe this is unconstitutional as the practice of medicine in a state is not interstate trade or commerce.

Mr. Chairman, at this time I would like to have Dr. Joseph M. Dixon, who is with me, present our statement on contact lenses.

LONG BEACH, CALIF.,
January 25, 1967.

U.S. SENATE,
Committee on the Judiciary, Subcommittee on Antitrust and Monopoly.

GENTLEMEN: I am Paul T. Southgate, M.D., Ophthalmologist, 36 years in practice, dispensing my own glasses for 33 years in Long Beach, California. I have never accepted a rebate.

My Societies: American Board of Opthalmology (I have passed the examination), American College of Surgeons, American Medical Association, California Medical Association, Los Angeles County Medical Association, Los Angeles Ophthamological Society, Long Beach Eye, Ear, Nose and Throat Society, National Ophthalmological Society.

Long Beach is a city of a quarter of a million people. There has never been a proven case in Long Beach in the 30 odd years I've practiced there, where the opthalmologist has over charged the patient for glasses according to accepted fee in our community as set by the opticians and there is no record of a patient in Long Beach having been coerced into buying glasses from the opthalomologist when he chose to go elsewhere for his glasses. They frequently go to an optician or to an optometrist with their prescriptions.

It looks to me as though this bill originated or at least is now sponsored by the professional opticians. Were this bill to become law, contrary to its antitrust claims, it would really be throwing our patients to the wolves, as we frequently charge less than the opticians for the same pair of glasses. It would lessen competition to the detriment of the public. Most of my patients prefer to get their glasses from me because they know that I care.

I am sure that after very little study, you honorable gentlemen of the Senate will see this bill in its true light and refuse to pass it.

Allow me to thank you for giving me your time to present my views.

Sincerely yours,

PAUL T. SOUTHGATE, M.D.

THE GALESBURG CLINIC,
Galesburg, Ill., January 24, 1967.

Re: Senate bill No. 260 "Medical Restraint of Trade Act."

Subcommittee on Antitrust and Monopoly, Committee on the Judiciary, U.S. Senate, Washington, D.C.

GENTLEMEN: I have been asked by my associates to transmit to you our thoughts on Senator Hart's Bill. We hope you will consider them at your hearings on this legislation.

Our group has owned and operated a pharmacy for nearly 20 years. We began dispensing drugs in response to the many requests of our patients to do so because it was more convenient for them. Our pharmacy is licensed by the State and is operated in an ethical manner. Our patients are given complete freedom of choice in selecting a pharmacy, yet the vast majority get their prescriptions filled here because they prefer to do so.

We make every effort to keep our prescription prices competitive with the local stores. Indeed, todays enlightened consumers would scarcely permit a pricing schedule that is higher than competitive pharmacies.

Senator Hart states that there is widespread overcharging and overprescribing on the part of physicians having an equity in a pharmacy. Unfortunately every field of endeavor has its unscrupulous individuals. Medicine is no exception nor is law, business or pharmacy. However, to intimate that the majority or even a significant number are unprincipled is unfair and, in this instance, untrue and undocumented.

Charges have also been made that the operation of physician owned pharmacies has forced the closing of vast numbers of independently owned drug stores. Since less than one percent of the total pharmacies in the United States are owned by physicians, it does not seem logical that they have had any bearing on the closing of independent drug stores. It would seem that the rapid expansion of chain drug stores and their competitive pricing policies would be more likely to have caused these closings. Since evidence is lacking as to specific instances of physician owned pharmacies forcing independent pharmacies out of business, we wonder if it has actually happened. Locally there have been two new drug stores in the past few years which would not indicate that our operation is causing them any great concern.

We wonder too if any consideration has been given to the consumer. Several years ago, we were concerned about how patients felt about our pharmacy and how it was operated. As a result, we mailed a questionnaire to 300 of them making every effort to insure that their replies were anonymous. Of interest here are the answers to three of the questions asked:

Have you ever felt that you were obligated to have your prescriptions filled at the Clinic Pharmacy rather than elsewhere? 151 answers:

Yes	7
No	136
Sometimes	8

Despite the fact that we maintain the pharmacy for the convenience of our patients it has sometimes been said that it is not fair to the drug stores and that it is not "ethical"—do you agree? 154 answers:

Yes	8
No	132
No opinion	14

On the whole do you feel that the Clinic Pharmacy serves its purpose as a convenience to you and our other patients and that it is operated efficiently? 158 answers:

Yes	157
No	1

Admittedly our poll was not statistically valid, but it did prove to us that we were providing a service that patients need and want.

To summarize our feeling about Senate Bill #260, we would make these points:

1. While there undoubtedly is some abuse on the part of the medical profession in the dispensing of drugs and ownership of pharmacies, the lack of documentation would indicate that this is a minor problem certainly not worthy of federal legislation.

2. The charge that physician ownership of pharmacies has resulted in the widespread closing of independently owned operations is also without basis of fact. It seems more likely that the corner drug store has suffered the same fate as the corner grocery.

3. Finally, the consumer, who we all seek to serve, does not object to physician ownership and feels that it is a service to him.

We respectfully ask that you consider these points and their implications.

Sincerely,

WILLIAM JOHNSON, M.D.,
President.

STATEMENT OF EARL W. KINTNER, WASHINGTON COUNSEL, ON BEHALF OF THE NATIONAL ASSOCIATION OF RETAIL DRUGGISTS, IN REFERENCE TO S. 260, SENATE SUBCOMMITTEE ON ANTITRUST AND MONOPOLY, HON. PHILIP A. HART, CHAIRMAN, JANUARY 24, 1967

Mr. Chairman, I am honored to appear here today in my capacity as Washington Counsel for The National Association of Retail Druggists. The NARD is a professional and business association of some 36,000 independent community drug store owners across the United States.

For reasons which I will discuss in some detail, NARD strongly endorses the enactment of S. 260. In this connection it should be noted that other national, state and local pharmaceutical associations including retail pharmacists within their organizational structure have gone on record endorsing legislation similar to S. 260. I mention this at the outset so that the Subcommittee can appreciate the fact that the vast majority of retail pharmacists throughout the nation support this important legislation individually or through their respective organizations.

In discussing the position of NARD, I will not belabor the record with a review of facts elicited in the course of the 1964 Hearings. Rather, my efforts will be directed generally to post-1964 developments, our analysis of the issues raised in the 1965 Subcommittee Report, and our analysis of S. 260.

THE NARD POSITION ON S. 260

At the 1966 NARD Convention, a resolution was adopted which was, prior to the introduction of this bill, NARD's formal position on remedial legislation to curb physician restraints of trade. This resolution supported "in principle the necessity for suitable legislation," together with NARD's pledge "to continue its efforts to find voluntary solutions" to the problem of physician involvement in the practice of pharmacy.

The resolution in full text, declared:

"Whereas the involvement of physicians in the practice of pharmacy continues to present difficult problems in the physicians' relations with their patients; and

"Whereas the NARD during the past several years has patiently urged and sought a solution to this pressing problem on a voluntary basis:

"Resolved that the NARD pledges itself to continue its efforts to find voluntary solutions with the professions of Medicine and Pharmacy to the problems of physician-ownership of pharmacies and physician-dispensing of prescription drugs, except in emergency situations.

"Be it further resolved that the NARD

supports in principle the necessity for suitable legislation to resolve in the public interest this problem of the two professions."

Given the failure of organized Medicine to resolve this problem voluntarily, and beyond that, the even broader question of the efficacy of self-regulation within the medical profession, NARD supports S. 260. NARD regards S. 260 as a legislative approach confronting more directly and practicably the problem of physician ownership and dispensing practices than did the Medical Restraint of Trade Bill, S. 2568, introduced in the last Congress.

First of all, S. 260 is a civil rather than a criminal statute, thus making the remedies more appropriate to the evil. That is, even if a solution of self-regulation were developed by the American Medical Association as the alternative to legislation, such a solution likewise would not involve criminal sanctions. Even with civil remedies, the American Medical Association and physicians everywhere reasonably could be expected to follow the spirit of federal legislation and in large measure, police themselves.

Second, the practices proscribed by this statute have realistic exceptions to avoid intrusion into the professional practice of medicine, and the several states' traditional power to regulate the practice of medicine. As I will elaborate shortly, the bill is confined to practices adversely affecting the commerce of prescription drugs.

Third, the sales at cost approach in S. 2568 was properly altered in the interest of statutory certainty. The question of defining "costs" and "profits" is so fraught with loopholes that its prohibitions could be, in large measure, evaded. The present bill contains absolute prohibitions on conduct restraining trade in the commerce of prescription drugs and in effect does no more than write into law the substance of a pre-1955 prohibition in the Principles of Ethics of the American Medical Association.

Fourth, in statutory text, the bill recites with considerable clarity the restraints of trade proscribed and reflects highly on the Subcommittee members and its staff who shared a part in its drafting.

A useful point of departure for taking up the legislative policy issues raised by S. 260 is to consider this bill in the context of the 1965 Subcommittee Report, and the individual views of Senator Dirksen and Senator Hruska. Briefly, their position was that the trade conduct here in issue is of "minor antitrust consequence" in terms of legislative priorities, that promising negotiations between medical and pharmaceutical associations were underway, that state legislation is preferable to federal legislation, and that in any event, existing antitrust laws are sufficient to solve the problem. I would like to take up these issues.

NEGOTIATIONS BETWEEN MEDICINE AND PHARMACY ASSOCIATIONS

Following the 1964 Hearings, NARD officials negotiated in good faith with representatives of the American Medical Association in an effort to urge them to resolve the issue of physician ownership and physician practice of pharmacy. As is known from the official AMA proceedings, no successful conclusion followed from these negotiations. Although there are circumstances in which physicians may ethically engage in the dispensing of drugs, the AMA nevertheless urges physicians to avoid the regular dispensing and retail sale of drugs to patients wherever the drug needs of patients can be met adequately by local ethical pharmacists. Pertinent in this connection is the 1965 Subcommittee Report which stated: "The facts are: (1) The AMA has no enforcement system for its code of ethics and (2) when local or State medical groups attempt enforcement, they are ignored."

This statement of fact illustrates that self-regulation expressed but not practiced, is meaningless, and that while a commitment to self-regulation by AMA would be highly desirable, this commitment would have to be followed by actual compliance efforts. We have no indication that any such commitment can be expected from the American Medical Association. Moreover, as to one aspect of the several problem areas to which S. 260 addresses itself, the medical profession's inability to secure compliance with an unequivocal position taken by the AMA Judicial Council is already a matter of record. Thus, although the AMA "flatly condemns repackaging companies" this Subcommittee noted that it had identified "approximately 140 doctor-owner 'repackaging' companies in more than 30 states . . . as a minimum estimate . . ."

As the Subcommittee's 1965 Report pointed out: "The AMA has expressed concern about this problem for a decade, yet the record shows the number of companies is steadily increasing."

Focusing now on the merits of federal legislation as being a suitable alternate to self-regulation, I should like to turn first to the public interest and legislative priorities involved.

THE PUBLIC INTEREST AND LEGISLATIVE ANTITRUST PRIORITIES

The 1964 Hearings, in our view, documented a record of physician restraints of trade on the interstate commerce of prescription drugs which we contend are not *de minimis*, but are substantial indeed. In specific trading areas, the competitive effects might more properly be characterized as "acute". In the area of physician-owned pharmacies alone, the fast-growing number of doctor-entrepreneurs have been able to tap the consumer market by funnelling prescriptions to their drugstores, through a variety of schemes—to recount just a few which were discussed by NARD in the 1964 hearings: coded prescription orders; prescribing on blanks advertising the pharmacy; and telephoning prescriptions, sometimes by using a direct line, to the pharmacy. Frequently this medical foray into retail pharmacy has resulted in overpriced, unneeded or excessive quantity prescriptions.

The incentive to practice these trade restraints arises from the unusual marketing environment for prescription drugs, where the physicians have economic, professional, and legal power to control distribution. No seller is able to penetrate the consumer prescription drug market via retail drug stores, except through the physicians of America, and the retail druggists of America must have the benefit of patients' "free choice" of pharmacies to compete in their respective trading areas. In an economic sense, physicians regulate demand of such prescription drugs. This bill ensures that this physician regulation of demand is based *solely* on professional judgment rather than nonprofessional considerations of economic gain adversely affecting consumers and retail druggists. To the extent that any physicians speak of their "right to invest according to their best judgments" they speak wide of the mark. A return arising from the proscribed practices is not a classic investment return but is a return based on their own conduct, which may result in restraint of trade. These physicians by a consistent analogy would have to be in favor of Congressional repeal of the SEC "insider trading" prohibitions, and indeed Section 7 of the Clayton Act and other antitrust laws dealing with property acquisition and use.

The federal government, with the passage of Medicare and other welfare programs, has already become involved as a consumer in the economics of prescription drug marketing, and undoubtedly will become more involved in the future. A HEW criterion for evaluating state medical assistance programs provides:

"With respect to 'prescribed drugs' . . . Federal financial participation is available in expenditures for drugs dispensed by licensed pharmacists and, *when dispensed by legally authorized practitioners, where no adequate pharmacy services exist or are available when needed,* and the practitioner dispenses such drugs on his written prescription, and retains records thereof." [Emphasis added]

This HEW regulation is a substantial restatement of Sections 4(a) and 4(4) of S. 260, and emphasizes the awareness of HEW as to this very problem in issue.

In short, there exists an unchallenged public interest in ensuring that the physicians of our land have every opportunity to perform their profession well. Prevention of commercial restraints of trade which adversely affect the public interest in free consumer choice of prescription drug sources, and an opportunity for community pharmacists everywhere to sell on their traditional basis of price and service competition foster and enhance this public interest. The physicians of America, to be sure influence the quality parameter of prescription drug competition in varying professional degrees as they properly should, but the pharmacists and the consumer should not be subjected to any nonprofessional, economic restraints by physicians.

If more evidence of the "public interest" need for remedial action is required, we believe these hearings will admirably fulfill that need, and we predict that the outcome will be one of recognizing the extent to which these trade restraints exist today and could expand tomorrow, unless checked.

THE INADEQUACIES OF PRESENT FEDERAL LAW

The Federal Trade Commission has the statutory power to stop "unfair methods of competition" and "deceptive acts and practices". We agree with the Subcommittee Report that the trade conduct here proscribed is within the substantive reach of the practices condemned by the FTC Act. The 1962 FTC Trade Practice Rules for the Optical Products Industry operated as a rebate prohibition on sellers of eyeglasses, and this same rationale logically applies to the opthalmologists receiving these rebates. Section 5 of S. 260 is a restatement of this Trade Practice Rule directed against physicians.

Sections 4 and 5 of the FTC Act, however, limit the jurisdiction of this substantive enforcement power to offenses arising "in commerce", "commerce among the several states". The conduct involved in Section 4 of this bill generally would not be within the jurisdictional reach of the FTC Act, but rather involves practices "affecting commerce". The drug company conduct under Section 6 of S. 260 could only be reached on a hit-or-miss basis under the FTC Act, again depending on the geographic location of the physicians relative to the drug repackaging house, due to the "commerce" limitations of existing law. Moreover, the issue is not the practice of medicine but rather the commerce of prescription drugs and restraints of trade in that commerce occasioned by the practices proscribed by this bill.

In the main, however, when we discuss the adequacies of the FTC Act in this area, we discuss jurisdictional limitations on the one hand, and on the other hand enforcement limitations imposed by wholly inadequate budgets. If the problem is to be considered in this broader context, it would necessarily involve the twofold considerations of expanding the commerce jurisdiction of Section 5 of the FTC Act and providing private enforcement relief for violations of Section 5. A host of issues beyond the scope of these hearings is involved in such a legislative alternative, and it would have to be considered on a broader policy basis. For immediate purposes, the FTC Act is, on the whole, inadequate.

Turning briefly to the adequacy of Section 1 of the Sherman Antitrust Act, the staff analysis submitted by the Department of Justice following the 1964 hearings highlights their reservations as to the conduct

falling within settled Sherman Act "restraints of trade". This Justice Department analysis, like the FTC analysis, offers this Subcommittee little hope of vigorous enforcement as the law enforcers view the law they enforce. In passing, it is worth mentioning the legislative analogy which exists here in comparison to the Congressional action involving the cigarette industry where Congress went ahead and legislated notwithstanding even a greater demonstration of willingness to act on the part of the FTC.

The preference for Federal legislation versus State legislation

The issue has been raised whether federal legislation or state legislation should be the appropriate avenue of relief. Superficially, a good case can be made for state regulation in the sense that the states' power to regulate the health, welfare and safety of its citizens exists, together with the settled power of states to regulate the practice of medicine.

In practice, however, we find, with precious few exceptions, state inaction, and the consequent vacuum which needs to be filled in the public interest. We are aware of only a few states which have trade regulation statutes in varying degrees of comparability to S. 260. With one exception these statutes do not reach sales of drugs by physicians which S. 260 would explicitly proscribe. Indeed the piecemeal approach of these state laws becomes even more apparent when it is realized that only the California statute provides for an outright prohibition of physician ownership, but that this law has also been fragmented by a provision permitting physicians to lease space to a pharmacy at a rental based upon a percentage of the gross income of the pharmacy. With respect to the drug repackaging ownership practices, no state law is comparable to Sections 6(a) and (b) of S. 260. We regard it significant that the 140 identified instances of physician-owned repackaging houses resulted, to our knowledge, in no remedial state legislation.

The Congress has, time and again, been confronted with the good theory—inadequate practice involving state remedial action, but the fact of life is that if the evil is considered by Congress to be grave enough and widespread enough, it will act in the public interest.

More importantly, in weighing federal versus state action, the issues are properly viewed in the context of the unique economic, professional and legal role of the physician in the commerce of the prescription drug distribution. On this rationale, if repackaging houses do not meet the FDA standards, that is hardly a basis for this legislation, but for better enforcement of existing FDA laws and regulations. The issue here is whether the conflict of interest of dispensing physicians in *any* state is fair to the captive consumer, and whether the retail druggists of America in *any* state should be subjected to a competitive disadvantage in the commerce of prescription drugs. Uniform prevention of trade restraints by federal action is in the public interest just as self-regulation by AMA, even if feasible, would have to be uniformly applied in all states.

In conclusion, NARD supports S. 260 for the following reasons: (1) the economic issues are significant today and are likely to become more significant tomorrow, particularly as group medical practice continues to grow; (2) the practices proscribed by this bill free the public from restraints of trade which can create artificial price levels and monopoly profits just as effectively as classic price fixing, due to the unique distribution practices which exist in the prescription drug industry; (3) the community drug stores across the United States can survive as a viable economic force only if patients everywhere are assured free choice in purchasing prescription drugs; (4) this bill relates solely to the commerce of prescription drugs and does not affect the practice of medicine or the states' settled power to regulate this practice; (5) neither existing federal law nor the hope of adequate state law has been demonstrated to provide a realistic solution; and (6) negotiation and self-regulation has not as of this date shown itself to be the solution to the problems on hand.

With the consent of the Subcommittee, we welcome the opportunity to offer supplementary written comments following the close of these hearings, so that NARD might address itself to any new issues raised during the course of these hearings.

Thank you for this opportunity to present the views of the National Association of Retail Druggists.

NORTH DAKOTA STATE
MEDICAL ASSOCIATION,
January 21, 1967.

Hon. EVERETT DIRKSEN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR DIRKSEN: Not being one of your constituents, I rather hesitate to trouble you. However, in view of pending legislation, I feel that I should contact you more or less in self-defense.

I see that you are one of the three Republicans on the "Subcommittee on Antitrust and Monopoly, Committee on the Judiciary, United States Senate." I wish to express a few thoughts on Senate Bill 260 being presented by Senator Hart of Michigan.

First of all, I would like to refer to Section II, labeled "Findings of Fact." My only comment here is that the facts stated are highly inaccurate. I will confine my remarks only to the portions of the bill dealing with pharmacies.

The pharmacies owned by medical groups or occupying space leased from medical groups are numerically infinitesimal. There are 139 clinics listed in our 1966 directory which own pharmacies and 180 who lease pharmacies. This is in the United States only. Factually, there are 52,000 retail pharmacies in the United States. 46,000 of these are independently owned and 6,000 are classified as chain. Each chain is counted as one pharmacy and the definition of a chain is an organization or individual owning four or more pharmacies. These 6,000 chains would therefore represent a minimum of 24,000 retail stores. There are therefore more than 70,000 retail pharmacy outlets in the United States.

It is also a fact that there are less than 1200 medical groups consisting of five or more physicians in the United States. Over 600 groups are listed in our 1966 directory of clinics and 570 of these have profiles in the directory. 541 of those who have submitted information are in the United States, the rest are in Canada. Considering only the 46,000 independent pharmacies in the United States, it is probable that two-thirds of one per cent of them are owned by medical groups and an additional nine-tenths of one per cent of these independents lease space for a pharmacy from a medical group. We have no way of knowing how many pharmacies are owned by solo practitioners or small partnerships, but it is reasonable to believe that most of the individually owned pharmacies which are owned by single physicians are in areas where no other services are available. These would not be affected by the law.

Most clinic owned pharmacies limit their sales to prescription drugs and sick room supplies. According to a survey conducted by Ely Lilly and Company in 1965 which covered 2,400 retail pharmacies, 41% of the sales volume of such stores came from the filling of the prescriptions and 59% from the sale of other items such as electrical appliances, cosmetics, magazines, greeting cards, etc.

Under Section III of the proposed law, there are many manufactured articles employed in the actual diagnosis of an illness or treatment of a disease of a patient, which would come within the terms of the phrase "Instruments, Apparatus, and Contrivances, Intended (1) For use in the diagnosis, cure, mitigation, treatment or prevention of disease in man; or (2) To affect the structure or any function of the body of man."

A physician is prohibited in Section IV of the Act from selling these defined devises "directly or indirectly". This opens up a veritable "Pandora's Box" of problems of the doctor and probably for the courts. Actually, the physician could not furnish the patient with splints, with cast material, gauze bandages, adhesive tape, a sling, elastic bandages, contrast material for use in x-ray diagnosis, and a host of other "devises". There is only one exception and that is "in an emergency". If a physician used any of these devises in treating his patients, he would be directly or indirectly selling them.

Sub-division F of Section III of the proposed law defines a leasehold interest is one where the rental is based on a percentage of income from drugs sold or "an unreasonably high rental". Most leases of commercial property in the United States have been negotiated on the basis of base rental supplemented by a percentage of gross sales of the retail establishment for more than 25 years. It is a common practice. Under terms of Section IV of the proposed act, a physician and only a physician, is prohibited from operating in the usual and customary manner in this regard. This certainly is discriminatory legislation.

In presenting the bill to the Senate, charges have been made that physicians have been and are guilty of over-prescribing drugs for their patients and of over-charging for such items. This is a very serious charge against an honorable profession. Unchallenged, it can only have the effect of undermining the confidence of every patient in the doctor of his choice. If the statement is true about drugs, it must be true also of laboratory procedures, x-ray diagnostic procedures, and any other type of treatment which may be ordered by a physician and from which he could conceivably derive a profit. Such a charge cannot be sustained by the isolated instances of misconduct which the Committee has released to the National Publications in order to gain support for this bill. Most of these charges have been proved to be without foundation and fact by disinterested investigators. In the past when the American Medical Association has challenged such charges, they have never had a refutation published in the vehicle which first made the charges. All we get is a letter stating that the correspondence has been received. This is certainly highly unfair and these statements made as facts are certainly highly inaccurate and many times totally untrue.

The charge was made that physicians forced the shutdown of independent pharmacies. Independent pharmacies are undoubtedly becoming fewer in number, but so are independent grocery stores, service stations, auto repair shops, cleaning establishments, and many other types of retail establishments. In my own community, which is a rural community and a town of 8,000, we have three independent pharmacies. A few years ago we leased space in our own clinic and set up a man as a fourth independent pharmacist. We did this for several reasons. Among them, the fact that in the winter time when it is extremely cold, many of the older patients, especially, asked if they couldn't buy their drugs right here in the clinic, saving themselves a walk of two or three blocks down the street to a drug store. In addition, we had many instances where we felt patients were being gouged for drugs such as being charged $2.00 for 50 or 100 phenobarbital tablets for which they should have been charged maybe $.75 and we finally decided that as a convenience to our patients, we would set up this facility. The three independent pharmacies are still in business, are thriving, and nobody has been hurt. I

think the convenience to our patients has been a big help and all of our patients do not buy their drugs at the clinic pharmacy. Therefore, I think the statement that physicians have forced the shutdown of independent pharmacies is something pulled out of a hat.

Under this bill, the physician conceivably will be required to have the patient purchase and bring with him at the time of treatment such articles as bandages, tape, disposable syringes, slings and any other article employed in treating the patient; the cost of which has heretofore usually been included in the charge for the physicians services. This sounds ridiculous, but it proves the complete lack of understanding of the practice of medicine by those who drafted this bill.

I hope you will give these comments some consideration in the coming hearings on this piece of legislation.

In closing, I wish to say that I am very happy to see you around so soon after your recent illness.

Very sincerely yours,

G. W. TOOMEY, M.D.,
President.

CRIME IN THE DISTRICT

Mr. BYRD of West Virginia. Mr. President, another chapter in the growing alarm over crime increases in the District of Columbia was written when an open letter was addressed to President Lyndon B. Johnson by the Washington, D.C., Clearing House Association on January 25. Similar letters were dispatched to the Vice President, members of the Senate and House District of Columbia Committees, and the District of Columbia Commissioners, according to a full page ad taken by this association in the Tuesday, January 31, issue of the Evening Star.

An editorial, "A Plea for Help," also appeared in the same issue of that newspaper, pointing out this unusual appeal made by 14 members of the local banking fraternity.

I wish to associate myself with the expression of views that the vast majority of Americans, those who obey the laws, will not tolerate indefinitely a system in which concern for the criminal is exceeded only by indifference to the public's right to adequate protection against crime.

I ask unanimous consent to have these newspaper items printed in the RECORD.

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

A PLEA FOR HELP

The most recent appeal to the President for help in dealing with criminals in this crime-ridden city has come from 14 members of the local banking fraternity.

These bank officials, representing the D.C. Clearing House Association, are alarmed by the armed robberies of banks and other business establishments which have become "almost a daily occurrence." They say, however, that "of even greater concern to us, as having some responsibility for leadership in the community, is the growing and justified feeling of anxiety and insecurity on the part of all of our citizens."

The facts of crime in Washington fully justify this concern. And while the bankers properly call for an attack on the "root causes" of crime as a long-term objective, they are also right in urging "strict and adequate law enforcement" as an immediate remedy.

In his District budget message last week, the President outlined a number of steps which should be helpful in curbing and, hopefully, reversing the crime trend. Mr. Johnson also said that he will shortly be proposing legislation to carry out "other recommendations which require legislative approval." This presumably refers to the District crime bill which he is expected to offer as a substitute for the one he vetoed last year.

We hope it will be a meaningful bill—one which will make it possible for the police, the prosecutors and the trial courts to function more effectively than is now possible under the unrealistic restraints which have been imposed by the Supreme Court. For without this, millions of dollars can be spent without winning the President's "war on crime."

Addressing the Senate a few days ago, Senator McClellan said that crime in Washington has "skyrocketed" to three times the national average, and that it is "reliably estimated" that more than 80 percent of the crimes committed here are not reported to the police.

The Senator from Arkansas blames a five-member majority of the Supreme Court for invoking "tenuous technicalities" to "nullify the convictions of and to set free confirmed criminals to prey again on a victimized society." Congress, he added, "simply must rectify the mockery of justice and protect society from the dire consequences of a number of recent 5-to-4 Supreme Court decisions that allow self-confessed, vicious criminals to go free."

The McClellan belief is that this can be done by legislation. We doubt it, for the 5-to-4 decisions to which he alludes were based on some constitutional ground—and this insulates them against remedial action by statute. Evidently, however, Senator McClellan thinks Congress should make the effort, and that if the court should strike down the new law "we can then resort to the more cumbersome remedy of amending the Constitution or the more drastic remedy" of limiting the court's appellate jurisdiction.

What, if anything, will come of this remains to be seen. But the Arkansas Senator is right about one thing. The people of the country, he said, are alarmed at the magnitude of the crime menace today. They are unable to walk the streets unafraid or to feel secure in their homes, "and a clarion call for help is rising across the land."

This is true. And it is our belief that the vast majority of Americans, those who obey the laws, will not tolerate indefinitely a system in which concern for the criminal is exceeded only by indifference to the public's right to adequate protection against crime.

THE WASHINGTON, D.C., CLEARING HOUSE ASSOCIATIONS,
Washington, D.C., January 25, 1967.

The PRESIDENT,
The White House,
Washington, D.C.

Mr. PRESIDENT: We are writing this letter as one of the groups with some responsibility for leadership in the District of Columbia, some responsibility to speak out on behalf of the entire community.

The crime rate in the District is deplorable. It is unnecessary to muster statistics for purposes of demonstration, nor do we consider it relevant to compare law enforcement here with law enforcement elsewhere in the Nation. The Constitution gives the Congress jurisdiction over law enforcement in the District and that trust should be adequately discharged, should be discharged indeed in such manner as to be a model to the Nation. Armed robberies of banks and other business establishments are happening with frightening frequency. At times it seems to become almost a daily occurrence. Naturally, representing as we do the banking and business community, this is a matter of deepest concern to us. But of even greater concern to us, as having some responsibility for leadership in the community, is the growing and justified feeling of anxiety and insecurity on the part of all of our citizens. In no true sense can we say proudly today that our Government affords us those protections for our persons and property which allow men to live securely and devote themselves without distressing anxiety to the well-being of themselves, their families and their neighbors.

This is no irremediable thing. It may, it probably will, because of past neglect, for a time in the future require large investment. We are prepared to contribute our share. The Nation which has jurisdiction of this community should not be penurious in contributing its share.

Undoubtedly, the root causes need to be attacked, poverty, slum conditions, the lack of adequate education and adequate opportunity which burden so many of our citizens. But these are long-term objectives. The problem is immediate, and the immediate resource is strict and adequate law enforcement.

Our police are undermanned. The facilities available to them are inadequate. The Congress should appropriate whatever is needed to provide enough police, well equipped police and the best police leadership obtainable. Consideration should be given as to whether in the Nation's Capital, as a temporary measure, the Federal Bureau of Investigation might not lend more aid. If this were to be done it should of course be done in such a way as not to reflect adversely, or in any way undermine the responsibilities and morale of the police force of the District. We have confidence in our present police force, if properly supported, but there are areas where no local police force can hope to match the facilities of the Federal Bureau of Investigation, and in our view the problem is sufficiently serious to consider making all of their facilities available to correct these deplorable conditions.

Speedy and effective administration of justice also requires adequate financial support and the ablest possible manning of the United States Attorney's office and the Corporation Counsel's office. This requires large increased appropriations. We have confidence in the leadership of those two offices, but they are both overburdened and undermanned. The speedy administration of justice cannot be attained unless they are adequately staffed and unless the salaries are sufficient to attract the ablest people to those jobs.

The speedy and effective administration of justice is also the responsibility of the Courts. We applaud the developments of the last few years. There has been a thoughtful reappraisal of the distribution of burdens between the District Court and the Court of General Sessions. The Courts have been working longer hours, taking fewer vacations, but much still needs to be done. We applaud the recent undertaking by the Courts themselves of an independent survey of the handling of the business of the Courts. The speedy and efficient administration of justice will do much to curb unbridled crime. Swiftness is no substitute for justice, but swift justice will certainly lend the community greater security. Here again, however, in our view the Congress has not done its part. The Court of General Sessions is understaffed, badly housed, badly equipped. The best of men cannot function adequately in such circumstances.

We hesitate to express a judgment on the recent legislation affecting bail. There has not been an adequate time to try out the consequences of this legislation. If there are inadequacies in it, it would not appear to suggest a return to bondsmen, but it might be worthy of consideration that, if a person charged has theretofore been found guilty of a serious crime of violence, some discretion should be allowed the District Court as to whether such a person should be re-

leased to the community. We are in no position of course to appraise the constitutional problems that might be involved, but obviously a prompt trial would need to be a corollary of any refusal of bail.

Finally, why should the Congress permit these bandits to be freely armed against the community. Few hold-ups would be attempted without hand-guns. Some restrictions should be imposed on their sale.

The District of Columbia Clearing House strongly urges that you attack this problem of crime in the District immediately and that you make available whatever may be needed in the way of appropriations to attack the problem adequately.

Sincerely,

Robert C. Baker, Chairman, the Washington, D.C., Clearing House Association, President, American Security & Trust Co.; John C. McCormack, Secretary, the Washington, D.C., Clearing House Association, Executive Vice President, the Riggs National Bank of Washington D.C.; other members: Leo M. Bernstein, President, District of Columbia National Bank; William J. Shuiling, President, The First National Bank of Washington; Louis C. Paladini, President, Madison National Bank; T. P. McLachlen, President, McLachlen Banking Corp.; Barnum L. Colton, President, the National Bank of Washington.

George A. Didden, Jr., President, the National Capital Bank of Washington; Douglas R. Smith, President, National Savings & Trust Co.; William M. O'Neill, President, Public National Bank; L. A. Jennings, Chairman, the Riggs National Bank of Washington, D.C.; Frank A. Gunther, President, Security Bank; associate members: L. P. Harrell, President, Union Trust Co. of the District of Columbia; B. Doyle Mitchell, President, Industrial Bank of Washington.

(NOTE.—Similar letters have been sent to the Vice President, members of the Senate and House District of Columbia Committees, and the District of Columbia Commissioners.)

RECOMMENDATION OF EXTENSION OF INTERSTATE AND DEFENSE HIGHWAYS IN STATE OF MAINE

Mrs. SMITH. Mr. President, on behalf of my colleague, the junior Senator from Maine [Mr. MUSKIE], and myself, I ask unanimous consent to have printed in the RECORD the text of a joint resolution of the Legislature of the State of Maine, to extend the northern terminus of the Interstate and Defense Highway System in Maine from Houlton to Fort Kent.

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

RESOLUTION OF THE STATE OF MAINE

In the Year of Our Lord One Thousand Nine Hundred and Sixty-Seven.

Joint resolution memorializing Congress to Extend the Northern Terminus of the Interstate and Defense Highway System in Maine from Houlton to Fort Kent

We, your Memorialists, the Senate and House of Representatives of the State of Maine in the One Hundred and Third Legislative Session assembled, most respectfully present and petition your Honorable Body as follows:

Whereas, it has been recognized that the nation's economy and the nation's security require the construction of a national system of interstate and defense highways; and

Whereas, the primary responsibility for construction of such a system rests in the Federal Government; and

Whereas, the objective is to complete the presently designated national system by 1972; and

Whereas, the people of Maine through appropriate action have deemed it essential that the highways of this State be integrated into the interstate and defense system; and

Whereas, the coinciding completion dates of U.S. Interstate 95 to the border east of Houlton and the entire Trans Canada Highway system will result in a great amount of potential traffic by-passing central and northern Aroostook County; and

Whereas, a high-standard, key artery highway through Aroostook County will better serve present industry, attract new industry and provide tourists and travelers with access to the many recreational possibilities of central and northern Aroostook County; and

Whereas, the Department of Defense of the U.S. Government has extensive defense installations in northern Aroostook County, namely Loring Air Force Base located in Limestone, Maine and supplemental installations to this base also located in the general area of northern Aroostook County, in the State of Maine; now, therefore, be it

Resolved: That we, your Memorialists, recommend and urge to the Congress of the United States, in order to more adequately serve the more heavily populated areas of central and northern Aroostook County and provide additional highway facilities for defense installations in northern Aroostook County, that appropriate action be taken to require the Department of Commerce, through the Bureau of Public Roads, to relocate the northern terminus of the Interstate and Defense Highway System in Maine from Houlton to Fort Kent; and be it further

Resolved: That a copy of this Memorial, duly authenticated by the Secretary of State, be immediately transmitted by the Secretary of State to the Senate and House of Representatives in Congress and to the members of the said Senate and House of Representatives from this State.

In Senate Chamber: Read and Adopted, Sent down for Concurrence, January 24, 1967.

JERROLD B. SPEERS,
Secretary.

House of Representatives: Read and Adopted in Concurrence, January 25, 1967.

BERTHA W. JOHNSON,
Clerk.

THE CONSULAR CONVENTION

Mr. INOUYE. Mr. President, the Consular Convention with the U.S.S.R., which President Johnson yesterday strongly urged the Senate to approve, has my support. I shall vote for it, and I call upon Senators on both sides of the aisle to vote for it also.

With the President, I believe that the provisions of this agreement would advance the national interest. I believe that we must reach this conclusion regardless of whether we personally believe in "building bridges" to the East or seeking to reduce areas of potential future misunderstanding while sending our boys to fight in Vietnam.

This is not a treaty which gives the Soviets something they badly want and gives us less in return. Remember, it was a Republican Vice President—not the Soviets—who proposed an exchange of consulates in 1959. It was a Republican Secretary of State—not the Soviets—who proposed the negotiation of a consular convention during the same year. If the establishment of a Soviet consulate in the United States is such a valued goal of the Soviet leadership, why did they not accept Vice President Nixon's offer and open a consulate in New York in 1959 when they had the chance? If a consular convention is something the Soviets have always wanted, why did they wait for us to ask for it for 30 years after we established diplomatic relations with them?

The answer is that this treaty benefits the United States more than it benefits the Soviet Union. That is why we proposed it, that is why we took the initiative in negotiating it, and that is why the administration is pressing for its ratification today. It benefits us because it helps us to protect the increasing numbers of Americans who travel to the U.S.S.R. each year. Some 18,000 went there last year—from my State and every other State in the Union. I am glad to say that so far no Hawaiians have been jailed or detained in the Soviet Union. But I understand that more than 20 incidents of this sort have come to the attention of the U.S. Government since this treaty was signed in 1964. A young man from Massachusetts—Newcomb Mott—died in Soviet hands under unexplained circumstances in 1966. A Peace Corps volunteer from Maryland was jailed in the Soviet Union—and fortunately later released—this year. A former Army lieutenant from Utah spent more than 60 days in solitary confinement in a Leningrad jail, and his companion from Arkansas is now out on bail after more than 80 days imprisonment. He may well go to Siberia to serve a 3-year sentence—for a foolish but hardly heinous infraction of Soviet law.

In May of this year it may be possible for the first time for Americans to fly from New York to Moscow nonstop at low-excursion fares. We can assume that this will lead to an increase in the number of Americans who travel there—and the number of Americans who may get into trouble there. The next American in a Soviet jail may be from Hawaii; and if that happens I intend to get on the phone to the State Department and ask them to get him out—quickly. I hope they will not have to answer "Well, Senator, we had a treaty which would have helped him, but the Senate voted it down." I realize from my mail that many persons oppose this agreement.

There are many who write to me and who write to all Senators—sane people whose opinions we respect—who have serious misgivings about this agreement. Some feel we should enter into no agreement with the Soviets while we are fighting in Vietnam. Other believe this convention presents grave dangers to our internal security. Both these arguments deserve to be studied before we vote to approve or reject the convention. I suggest that this can be done most dispassionately if we remove the Consular Convention from the framework of "bridge-building" or initiatives toward the East and look at it on its own merits—as an agreement between sovereign states which, if it is to be ratified, should be of concrete net benefit to us.

Because it contains guarantees committing the Soviet Union to notify American officials of the arrest or detention of American citizens and to permit visits to such Americans within 4 days and

on a continuing basis thereafter, I believe it provides these benefits—benefits which are needed more than ever while the war in Vietnam is going on and the Soviets are, consequently, treating Americans accused of violating their law more harshly than usual. I believe that Vietnam should not be an obstacle to ratification, for this convention does not provide aid and comfort to the enemy, but prudent protection for ourselves.

The internal security issue has been much discussed already. But I see nothing so terrible in the prospect of a Soviet consular office, with a staff of 10 or 15, in an American city, provided we are granted similar facilities in the U.S.S.R. The President has said that, in his judgment, the treaty raises no problems for the national security. The Acting Attorney General and the Director of the FBI have said that such an influx of 10 or 15 Soviet officials—added to the 1,000 already here—can be handled effectively and efficiently. I accept this statement. More than 200 people immigrated to this country from the Soviet Union last year alone, to live and work among us. They are relatives of Americans, longing for the free life they can enjoy in this country, and none of us would deny them or their American relatives this privilege. Yet this certainly creates a potential threat to the internal security, for among these may be the faceless "Colonel Abel" of the 1970's, far more difficult to identify and control than the Soviet official whose activities are known. Are we ready to close our society, to make a secret of the entire Nation, to betray our tradition, in order to guard against the curious eye? Is our social fabric so flimsy that we must resort to such measures?

Finally, let me touch briefly on the issue of immunity. This treaty, the first of its kind we have ever signed with a Communist government, differs from past consular treaties in that it grants full immunities from criminal jurisdiction to consular employees on a reciprocal basis. I believe that Americans we might send to a consulate in the Soviet Union need and deserve this protection. Our country requires it, too, for the security hazard of exposing these officials to imprisonment and interrogation in a Communist country is obvious. We must pay a price for this shield; we must grant the same protection to Soviet officials here. But I believe the price is worth paying.

Mr. President, I believe this convention merits the approval of the Senate and the Nation. I intend to vote for it.

DISCRIMINATION IN EMPLOYMENT ON ACCOUNT OF AGE

Mr. MURPHY. Mr. President, on February 1, Senator JAVITS introduced S. 788. I am pleased to coauthor this measure with the distinguished Senator from New York. S. 788 would prohibit arbitrary discrimination in employment on account of age.

Since coming to the Senate this has been a subject in which I have had a great interest.

For the simple fact is, Mr. President, that discrimination on the basis of age alone does not make sense. The mature worker deserves to be judged on the basis of his performance not excluded because of his age. While it is sometimes true that the older worker may lack the educational advantages of his younger counterpart, his experience, maturity, and skills, acquired as they say in the school of experience and through the college of hard knocks, are assets which the country cannot afford to waste.

One of my earliest acts when I was elected to the Senate was to cosponsor in 1965, S. 1752 which, like the bill now introduced, would prohibit job discrimination because of age. Last year, along with Senator JAVITS and other minority members of the Senate Labor and Public Welfare Committee, I also cosponsored an amendment to the Minimum Wage Amendments of 1966 outlawing discrimination on the basis of age. As the Senators will recall, this amendment was adopted on the Senate floor but was subsequently deleted in conference.

I think it is clear that had the administration supported and worked for the age discrimination ban last year it would be on the books today.

I am pleased, however, that the administration has finally agreed with the position of the Republicans on this issue. I certainly hope that as a result legislation will be enacted this year ending once and for all age discrimination in the United States.

In 1964, title VI of the Civil Rights Act outlawed discrimination in employment practice on the basis of race, color, religion, sex, and national origin. This, of course, was a step to make available to all our citizens equal opportunity. This 1964 act was in keeping with the basic beliefs and philosophies of our forefathers when they landed on the rich shores of our country that a man should be judged by his deeds, not by his religion, sex, color, or national origin. The act left, however, one big loophole that needs to be closed. Enactment of legislation preventing age discrimination would plug this loophole.

Mr. President, I fully realize that the problem of age discrimination is not a simple one. We are not, however, without experience in this area. Twenty States and Puerto Rico have adopted legislation outlawing age discrimination. The States experience shows the legislation is workable.

I am convinced that the approach taken by the Javits bill, which I am cosponsoring, is superior to the approach of the administration bill. The administration bill, like the Javits-Murphy proposal, grants jurisdiction for the administration of the age discrimination ban to the Department of Labor, but no mention is made to the section or division of the Department of Labor which is charged with its enforcement. The Javits-Murphy bill, on the other hand, makes use of the experience and expertise of the Labor Department's Wage and Hour Division which presently enforces age provisions affecting child labor subject to judicial review. This approach not only taps the reservoir of talent and experience in the Wage and Hour Division, but also it assures that there will not be the needless creation of a new bureaucracy to administer the age discrimination provision.

Second, the administration bill provides for hearings before the Labor Department and then enforcement in the court of appeals. Our bill authorizes the Secretary of Labor to proceed directly in the U.S. district court.

Finally, the administration bill provides not only for civil penalties but also for criminal penalties. I feel that criminal penalties are neither needed or justified. The Javits-Murphy amendment, on the other hand, only provides for a civil remedy.

Mr. President, these are the major differences between the administration bill and the bill introduced by Senator JAVITS and myself.

Of course, there are similarities between the administration approach and the approach taken by the Javits-Murphy bill. Both measures are aimed at discrimination against those who are 45 and over. Both permit exceptions where there is a bona fide occupational qualification. Both also provide for a conciliation effort before the ultimate enforcement by the courts when necessary.

After careful study of the merits of the two proposals, I am convinced that the bill which I am cosponsoring is the more meritorious and the one that should be adopted by the Congress.

Last year, Mr. President, I made a detailed statement on the subject and I ask unanimous consent that my remarks be printed in full at this point in the RECORD.

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

STATEMENT BY SENATOR MURPHY

For some time this great nation has sought to make available to all its citizens equal opportunities for employment. We have attempted to eliminate artificial and discriminatory barriers to employment. Beginning when our forefathers first landed on our shores, we early realized that a man should be judged by his performance, not by his religion, sex, color or national origin.

The gates leading to equal employment have not always been open, at least equally wide, to all American citizens.

As my colleagues know, in 1964 Title VI of the Civil Rights Act outlawed discrimination in employment practices on the basis of race, color, religion, sex and national origin.

One form of employment discrimination was neglected. I am referring to employment discrimination because of an individual's age. I am speaking of job discrimination facing the nation's older worker. This has long been a great concern to me. One of my early acts when I came to the Senate last year was to join Senator JAVITS in cosponsoring S. 1752, which would prohibit job discrimination because of age. Regrettably, no action has been taken on S. 1752. Fortunately we have at hand a vehicle in the form of the minimum wage measure that will permit us to accomplish the purposes of S. 1752. This amendment, offered by Senator JAVITS and others, and which I am cosponsoring, will amend the Fair Labor Standards Act by adding a new title prohibiting discrimination in employment because of age. Enforcement of the prohibition against age discrimination will be by the Wage and Hour Division of the Department of Labor.

To appreciate fully the problems of the older worker, when he becomes unemployed for one reason or another, it might be helpful

to examine some of the general characteristics of this group of Americans. In this day and age when such emphasis and importance are placed on education, the older worker's educational deficiencies are a major obstacle. Among male workers age 45 to 54, nearly one-third of those who are white and almost two-thirds of those non-white groups have not gone beyond the eighth grade. Among the male workers 55 to 64, nearly one-half of the white group and more than three-fourths of the non-white group have not gone beyond the eighth grade.

Many of these workers were forced by economic necessity during the depression to leave school and find means to help sustain their families through those troubled times. Many of the younger members of this age group left school and entered the labor market during World War II when work was plentiful and employers begged for workers.

Then, for whatever the reason, perhaps automation or the closing of a plant, the older worker might have been told that his services were no longer needed. The world, crushing in on him, our older worker now walks the streets seeking new employment. Not only will he be made aware of his educational deficiencies, but frequently he also finds that employers disqualify him because of his age.

Also, we know that the older worker has less mobility than his younger counterparts in the labor market. This results from numerous factors. The older worker probably owns his own home, may have school age children, and has strong ties with the community which are difficult for him to sever. The younger worker, on the other hand, usually finds it easier to move in order to locate another job. Evidence from many studies indicates that unemployed workers who move, have greater economic prospects than those who are reluctant to move. A recent Labor Department study of geographical mobility substantiates these findings. About 72% of the unemployed persons who moved between March 1962 and March 1963 were employed a year later. Only 55% of those who did not leave their communities were able to find new jobs. The older worker's reluctance to move adds to his difficulties in finding new employment.

Statistics clearly show that the older worker once unemployed, is likely to remain without work for a longer period of time. The average duration of unempolyment for males in 1964 in the 45 to 64 age group was 20.8 weeks. This compares to an average of 14.5 weeks for all males.

Now, if it were not enough that the doors to employment were closed to the older worker because of lack of education and skills, an older worker often faces an attitude on the part of some employers that prevents him from receiving serious consideration or even an interview in his search for employment. This employer discrimination results to a great extent from employer misconceptions about the perfromance of older workers and the relative cost to the firm of hiring older rather than younger workers.

In 1963, a study of employer orders received in the local state Employment Service offices in eight major cities in states not having anti-discrimination laws found that 47% of job orders specified upper age limits, 18% specified workers under 35, and 33% set age limits under 45. The 1963 study was updated by the Employment Service in a survey done in the Spring of 1965. The Employment Service interviewed selected employers as to their attitudes and hiring records. Only 8.6% of new workers hired by these employers during 1964 were over 45, which was less than one-third of this group's proportion among the unemployed. Approximately 25% of the employers interviewed had upper age limits for hiring.

Employers gave many reasons why they do not hire older workers. In a 1959 study done in my state of California, the following reasons were given for not hiring older workers: 22.4% of the employers said that older workers cannot maintain production standards; 20.9% said that they cannot meet a company's physical requirements; 13.2% said older workers were inflexible; 10.1% mentioned pension and insurance costs; 7.1% felt that the older workers were too close to the compulsory retirement age; 5.2% preferred younger people; 3.2% found older workers more difficult to train; 3.1% felt that they were excessively absent; and 2.7% had a policy of promotion from within the firm. While obviously some of the reasons given by the employers are just and reasonable, there certainly does not appear to be a justification for some of the reasons given by employers for upper age limits.

A recent Bureau of Labor Statistics study of health and insurance plans and their effect on the employment of older workers shows that the costs do not vary greatly due to age, since the rates are based on the entire company's average costs. For example, the older worker frequently does not have the small children nor the expense of maternity care, and savings such as this would equal or perhaps outweigh the higher costs of morbidity. Private pension plans have also been an obstacle to the hiring of older workers. In the United States today twenty-five million workers are covered by some form of private retirement plan. Most of these plans require involuntary retirement. The cost of a pension depends on the age of the worker at the time he is hired and, therefore, pension plans are more expensive when a worker is hired at a later age.

Many studies, however, have argued that the pension and insurance costs of hiring older workers are over-estimated. This can be outweighed by careful consideration of the skills and experience that the older worker is bringing to the job. The National Association of Manufacturers has stated: "The more one examines pension and insurance costs, the less valid they become as legitimate barriers to the employment of mature workers. When one considers the many personal assets the mature employee brings to the job (pension and insurance costs certainly lose whatever significance they may appear to have."

There have also been many studies done on the job performance of the older worker and studies done by the Labor Department show that job performance does not decrease significantly with age. A 1961 survey of postal employees showed that workers 40 to 59 years of age produced as much as younger workers in the same type of job. Even at age 60 and over, the average output was only 4% less than the output of workers age 35 to 39. Two surveys of performance done by the Labor Department in 1956 and 1957 indicate that there is a stable average performance level through age 54 with some falling off of the average output of the age 55 to 64 group. The studies also indicated that there was a wide variability of performance within a given age group. These studies showed too that there was no difference in attendance between the age groups.

Perhaps the most useful indication of the value of the older worker is in the evaluation of the employers themselves. Employers consistently praised their older workers. A 1951 study by the National Association of Manufacturers showed that out of 3,107 reporting companies, the great majority found their older workers equal or superior to younger workers.

Percentages of employers holding specified opinions of older workers

Factors	Performance of older workers		
	Superior	Equal	Not equal
Work performance	22.4	70.3	7.2
Attendance	48.3	49.8	1.9
Safety records	32.2	65.2	2.6
Work attitudes	48.4	50.8	.8

I would like to read this NAM survey.

A panel of 196 executives was polled in 1959 by the Bureau of National Affairs and the results of this questionnaire further indicate that older workers have definite advantages for employers. I would also like to read this survey.

	Company with less than 1,000 workers		Company with more than 1,000 workers	
		Percent		*Percent*
Is the older worker less efficient?	No	70	No	75
Is he less regular in attendance?	No	98	No	98
Is he more accident prone?	No	77	No	90
Is he more inclined to grumble?	No	86	No	87
Is he more likely to be late?	No	100	No	100
Is he more difficult to supervise?	No	90	No	81
Is he more understanding of management?	Yes	86	Yes	91
Is he less likely to move to a new job?	Yes	93	Yes	91
Is he more resistant to new ideas and methods?	Yes	77	Yes	73

At the present time laws prohibiting discrimination in private employment on the basis of a person's age are in effect in twenty states and Puerto Rico. In New York State a report on the first two and a half years (July 1, 1958, to December 31, 1960) of their age discrimination law, a total of 277 complaints alleging discrimination on account of age are described. In 31% of these cases, some unlawful practice was found and adjusted. 209 of the cases had been closed by the end of 1960. A spot check was taken at one office before and after the law was enacted. In 1955–1956, 22.7% of the job orders placed with the office carried upper age limits. This number had been greatly reduced by 1958–1959 to .3% of the total. A general evaluation of the experience in New York indicates that prejudice is breaking down and that there has been almost a complete elimination of the age specification in want ads and a great reduction of placing age limits by employers in job orders.

In a survey conducted by the Labor Department in 1963 on the effectiveness of state laws, the response from state agencies indicated that the enactment of age discrimination statutes has been followed by a decrease in discriminatory age specifications in job advertising and in job orders.

In 1964 the Department of Labor conducted a conference of officials who administer the state anti-discrimination laws, and one point made at this conference was the desirability of federal legislation in this field. Secretary Wirtz has reported that in thirty states which have no laws against age discrimination, fully half of all the job openings are closed to applicants over 50 years of age and about one-third of the job openings are closed to applicants over 45 years of age.

So, it is obvious that age discrimination does present a problem in this country. I see no reason why we should not include job discrimination on the basis of age with the present ban on discrimination on the basis of race, color, religion, sex and national origin. I am hopeful that the Labor and

Public Welfare Committee will enact this amendment to the minimum wage bill.

I do not feel that this will be a complete panacea for the problems of our older workers. It will, however, be a significant step in the right direction. Nor do I believe, Mr. President, that the federal government alone should involve itself in this problem. The states are moving have moved and should continue to move toward equal employment opportunities. Private groups have done outstanding work in initiating programs to help older workers and to help educate the public at large. In California this has certainly been true. In Pasadena a group called "Jobs After Forty," formed in 1959, has conducted surveys, sponsored workshops, clinics and forums with employers and potential employees and reports great successes in the placement of applicants. "Experience Unlimited" is an organization composed of jobless executives and managerial personnel. They make extensive use of group discussions and group counseling to aid the older worker in locating employment. "California Associates" is a similar organization for women in the executive or managerial field. "Careers Unlimited" for women is another private and civic organization which tries to place older women in jobs, and volunteers work with applicants on an individual basis often accompanying applicants when they go to see prospective employers.

National organizations, such as the American Medical Association, the National Association of Manufacturers, the American Legion, and the Fraternal Order of Eagles have conducted intensive massive campaigns to promote the hiring of older workers. Federal programs, such as the Older Americans Act, the Vocational Education Act, and the Manpower Development and Training Act have helped the older worker.

The Manpower Development and Training Act has not been giving the attention to the older worker that it should. In 1962–1963, a total of 3,250 workers 45 years old and over completed training courses under the Act. This constituted about 11% of those trained. The older workers comprised about 29% of the unemployed group. The on-the-job training program has not been used adequately. Early this year, the Senate Labor and Public Welfare Subcommittee on Employment and Manpower, of which I am a member, held hearings on the on-the-job training programs, and I was shocked upon hearing the testimony on the amount of paper work required in order to participate in on-the-job training. It is no wonder that the employers have not been participating as much as some of us would hope. In all fairness to the Labor Department, it was announced that they have finally taken steps to lessen the paper work.

The older worker, like all Americans, should be judged on his merit. The older worker should not have the doors to employment closed before he is even given consideration. Enactment of this amendment will be of great significance to our older workers.

FOOD FOR INDIA

Mr. HARTKE. Mr. President, we Americans are proud of the way we have built this country, starting with a wilderness, into the vibrant economy we have today. In the building process we relied largely on ourselves and on our immediate neighbors, though, to be sure, there was a certain amount of what today we might loosely call "economic assistance," which came into this new land from countries beyond the sea.

The President's message on food aid to India proposes that the United States continue what it began some years ago—a further commitment of aid to a relatively new nation, India, whose leaders are as deeply committed to the concept of self-reliance as we Americans have been throughout our own national existence. It is reassuring to me to see that the U.S. Government has taken a conscious decision to assist the Indian people in moving toward economic goals—self-sufficiency in food and a viable economy generally—which the Indians have set for themselves. Our relationship with India in the aid field is much more likely to be a harmonious one if we continue to insist that our role will be that of assisting the Indians to meet goals which they profoundly feel are necessary to their national well-being than if we and they held widely divergent views on proper goals. A continuing Indian commitment to using aid proferred by the United States and other aid donor nations to expand the Indian economy to the point where such aid will, one day, no longer be necessary, suggests the optimum context within which aid resources can be put to appropriate use.

I am gratified to learn that the executive and legislative branches of the American Government have undertaken to verify the extent to which India's leaders and the people of that country have been translating the precept of "self-reliance" into fairly impressive practice. Tradition dies hard, and the older and more conservative the society, the more slowly it dies. India's leaders constantly scold their people for continuing to do things in outmoded ways. There is a bright side, however; the eagerness with which aged farmers try fertilizer on their lands for the first time, or their willingness to plant new varieties of grains, give ample witness to the fact that desirable changes are underway. These changes augur well for India's continuing economic development and argue persuasively that the United States should assist India in that task.

THE CONSULAR CONVENTION WITH THE SOVIET UNION

Mr. McGEE. Mr. President, the world is changing all around us, and we cannot shut our eyes to this change. Shortly, I hope, the Senate will consider the Consular Convention with the Soviet Union. The ratification of that treaty will not greatly change the tide of events, perhaps, but it will show we are not blind to the changes and are determined not to miss the tide, or miss the boat, to borrow from the words of an editorial published in last evening's Washington Star.

Mr. President, the editorial, entitled "Our Changing World," is directed at Members of this body, and it is hoped that those to whom it applies will pay heed. I ask unanimous consent that it be printed in the RECORD.

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

OUR CHANGING WORLD

"There is a tide in the affairs of men,
Which, taken at the flood, leads on to fortune;
Omitted, all the voyage of their life
Is bound in shallows and in miseries."

It is our earnest belief that such a tide is running now. And it will be a tragic thing if this tide is allowed to ebb away because of a misguided belief, no matter how sincerely held, that ours is a world in which nothing changes or ever will.

This, however, is a dismal prospect which emerges from the attitude of such influential Republicans as Senators Hickenlooper and Mundt.

They are against the consular treaty and the expansion of East-West trade. If one is to judge from the questions they asked of George Kennan in his appearance before the Foreign Relations Committee, no bridges will ever be built between East and West if they can help it.

Yet it seems to us that the fact of the crumbling of Communism's supposedly monolithic structure is too obvious to be denied. Communist China's internal agonies have all but brought an open break with the Soviet Union. Yugoslavia, Romania and Poland have long since shaken off the Stalinist chains. There have been more than a few indications that Moscow, far from clinging to a belief that war between communism and capitalism is inevitable, wants to move toward a better relationship with us. Why not? Such a move would serve Russia's interest—just as it would serve ours.

It is true that Russia has been supplying sophisticated weapons to North Vietnam but to nowhere near the extent that we have been supplying South Vietnam. This is something that should be viewed in perspective against the background of Moscow's need to protect its own "image," and in light of the fact that the Russians could be sending in a great deal more arms and other aid than they have done up to this time.

The war in Vietnam will be over one of these days. Meanwhile, or so it seems to us, the things that can be done to improve the East-West relationship should be done. One thing that can be done is for the Senate to ratify the consular treaty—a relatively small item, perhaps, but still of some importance.

Ratification, however, requires a two-thirds vote. It will not be easy to get it, and the Republicans very probably will decide the issue. This being the case, we hope that those G.O.P. senators who are now on the fence will take their cue from the Thruston Mortons, Eisenhowers and Nixons—not from the Mundts and the Hickenloopers.

If we miss the tide that is running now, we may also discover too late that we have missed the boat.

OCEANOGRAPHY'S GROWTH IN HAWAII

Mr. FONG. Mr. President, it is gratifying to call attention to the growing role of oceanography in the State of Hawaii. With foresight and planning, leaders in government, university and private enterprise in recent years have laid the foundation to make the 50th State an outstanding center for the study and development of marine resources. The progress in oceanographic programs and the increasing investment and interest shown by mainland agencies and experts are most encouraging.

I wish to commend my colleagues who made the 89th Congress so productive in the field of marine science and technology. The enactment of the Marine Resources and Engineering Development Act and the Sea Grant Colleges and Programs Act represents a long step toward giving oceanography the national status and support it deserves. By passing these new laws, the Congress has

stimulated a wider understanding, concern, and support of oceanography and related fields throughout the Nation than has been the case at any time heretofore.

As a cosponsor and active advocate of both of these measures, I am happy to say that Hawaii looks forward to participating fully in every way it can in supporting and implementing the objectives of the legislation.

The State of Hawaii is especially fortunate that one of its residents, Taylor A. Pryor, has been appointed a member of the Commission on Marine Science, Engineering, and Resources, created under Public Law 89–454. He has amply demonstrated his vigorous leadership in establishing the Oceanic Foundation at Makapuu, on the Island of Oahu, as a private nonprofit organization devoted to the promotion of human progress in the sea, and his enterprise in developing the Sea Life Park as a public display of Hawaiian marine life and ocean science which provides partial financial support for the Oceanic Foundation. I have every confidence that he will make a valuable contribution to the Marine Science Commission to which he was recently appointed by the President.

A most useful collection of articles on oceanographic progress in Hawaii has been published by the Honolulu Advertiser, which created the Captain Cook Chair in Oceanography at the University of Hawaii in 1965. I commend the Advertiser for the special interest it has displayed in promoting oceanography and for its public education efforts in this field.

I ask unanimous consent to have printed in the RECORD the full-page collection of articles on the Advertiser's editorial page of January 17, 1967. The articles are titled, "Hawaii and Oceanics," "Makapuu Plumbs Sea Secrets," "U.H. Expands Ocean Studies," and "Industry Eyes Island Sites."

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

[From the Honolulu Advertiser, Jan. 17, 1967]

HAWAII AND OCEANICS

The Presidential appointment of Tap Pryor to the Commission on Marine Science, Engineering and Resources is more meaningful than it might at first appear.

The deserved national recognition of the dynamic and talented young scientist is gratifying. But coupled with it is the heightened opportunity of Hawaii to play an accelerating role in those aspects of a national oceanographic program for which the Islands have special strengths.

The 15-member commission, which has a life of 18 months, is to recommend such a program, adequate in scope and support, to meet present and future needs in marine science.

To prepare itself, it will review existing surveys, research programs, training, and projects related to obtaining the needed resources from our marine environment.

The commission's report will be submitted to the President, through the National Council on Marine Resources and Engineering Development, and to the Congress. It thus can serve as a basis for legislation.

The need to make maximum use of the productive opportunities in the ocean is becoming increasingly urgent. For a century of oceanographic surveys has led so far to relatively little exploitation of our marine wealth.

And yet economic and human needs around the world demand not only an expansion of our knowledge of the marine environment—but a tremendous speedup in our utilization of its food and mineral resources.

A growing number of sound ocean-oriented operations are developing all over the country. By playing a cooperative rather than an excessively competitive role, Hawaii can provide a service to many of them.

We can be, in one observer's words, "everybody's bride and not a bridesmaid left behind."

For example, there's a pipeline network projected for the Gulf of Mexico which would drain the gas and oil from leases held by 22 petroleum companies.

Six engineers involved in the project have just spent some days here seeing how Hawaii might be able to develop a new pipeline technology for use in the Gulf.

We have close to shore the kind of depths in which the engineers are interested, whereas in the Gulf they'd have to go out hundreds of miles to make their tests. We have clear, warm sea-water year-around. In short, we have ideal conditions for their particular purposes, a fact which led the head of the visiting team to say he thought Hawaii could make an important contribution to the oil and gas industry.

Another example: when Tap Pryor in December attended a symposium on deep-sea vehicles at the Woods Hole Oceanographic Institution, there was discussion of whether that famed Massachusetts organization should set up an annex in Hawaii.

Woods Hole is the organization in oceanography and marine biology with the earliest and broadest experience in Atlantic research.

It seemed quite reasonable to some of the top people there, says Pryor, to consider putting a foot in the Pacific by utilizing Hawaii. The possibility, he adds, is now being worked on.

Hawaii has come quite a way in the oceanic field since the first major conference was sponsored on Maui two years ago this month by Governor Burns.

The Governor continues to put the full energy of the State behind marine science development. It was hardly surprising that it was he, along with Senator Inouye, who recommended Pryor to the White House for appointment to the national commission.

Elsewhere on this page are stories giving some detail of the activities at the University of Hawaii; at the Oceanic Institute, which is the research arm of Pryor's Sea Life Park; and in other private and public sectors.

In sum it is impressive, but it really should be only the beginning. Because of its interest and capacity, Hawaii inevitably will benefit from the comprehensive, long-range and coordinated national program eventually to come into being.

One of the problems which Hawaii has been having in common with other ocean-minded areas is the lack of a central pool of information on significant developments. The new national commission should be helpful in this respect.

Interestingly, Pryor plans to open a Washington office and to invite the State Dept. of Planning and Economic Development and the University to share it.

Pryor's contribution to the commission's work obviously will be toward its national goal. But in the process Hawaii should benefit to the extent that we merit.

MAKAPUU PLUMBS SEA SECRETS

What the public sees at Sea Life Park occupies less than one-tenth of the area of Tap Pryor's marine complex at Makapuu Point.

On the rest of the property he is structuring an almost bewildering number of organizations—for extensive research in ocean engineering and biological sciences.

Pryor's non-profit Oceanic Foundation oversees the development of the park, the adjacent laboratories and simulators of a marine research institute, and a variety of underwater testing facilities immediately offshore. Contractual work is now being performed for Federal agencies and industrial associates.

The essential research organization at Makapuu is the Oceanic Institute, which last week announced the appointment of Dr. John Hendrickson as its permanent director.

Existing operating divisions are those of marine science and ocean engineering, with a marine medical group scheduled to become active within a few weeks.

The institute's current major activities include the largest sea-farming project in the world, utilizing large new labs at Makapuu and restored Hawaiian fishponds on the island of Molokai.

The institute is expanding its Cetacean Research Center to enlarge its well-known studies of whale and porpoise communication and behavior. During this year the institute will begin diver-oriented biomedical research and will undertake detailed submarine topographic surveys and other offshore oceanographic studies.

Pryor's Makai Range, an entity separate from the Oceanic Institute, is already being described as a major national undersea testing facility which cannot be duplicated elsewhere.

Under construction this year, it is intended primarily as an industrial proving-ground for sea-floor research and development. It includes permanent sea-floor laboratories at various depths to house diver-technicians for days or weeks at a time while they work on nearby test installations, such as sea-floor oil wells and experimental tankage.

The range systems, including habitats, life-support and communication, were more than a year and a half in design. Initial construction includes a pier for research vessels and submersibles, shoreside decompression chambers and medical facilities, and the opening of a major professional-diving school for employes of petroleum and construction industries.

A second phase of the Makai Range already in planning is a fully instrumented deep-range: a "bugged" slice of the ocean from Makapuu to depths of thousands of feet.

Pryor's various organizations are described as having three singular advantages.

The first is that "the sum of expanding facilities and talent is greater than the total of its parts, due to proximity and mutual support."

Second, within the complex organizational structure, with its non-profit institutions and entirely separate industrial associations, there is room for almost any type of program, project, user or customer.

And third, Makapuu is "probably the first major oceanic research and development installation which practices the belief that oceanography is not a single, academic science but a whole world."

Pryor preaches that the exploration of the sea and the wise exploitation of its resources require not just scientists and technicians, but lawyers, economists, truck drivers, secretaries, construction crews, accountants, lawmakers and manufacturers. At Makapuu everyone, whatever his job, is an "oceanographer."

UH EXPANDS OCEAN STUDIES

Ocean-related teaching and research activities have shown steady growth in the past two years at the University of Hawaii.

Ocean science programs are conducted by a number of disciplines and research units, including the Departments of Oceanography, Ocean Engineering, Zoology and the Hawaii

Institute of Geophysics and the Hawaii Institute of Marine Biology.

The basic academic program is conducted by the oceanography department headed by Dr. Richard G. Bader, former program director in oceanography for the National Science Foundation who joined the University faculty in December 1965.

In the fall of 1964 there were three faculty members in the department and 10 students majoring in oceanography. Today there are 15 members of the department conducting instruction for more than 40 majors.

The oceanography program at the University was given added support when The Honolulu Advertiser created the Captain Cook Chair in Oceanography in 1965.

Oceanography-related research projects underway include compilation of the Atlas on Physical Oceanography of the International Indian Ocean Expedition, studies of Pleistocene sea-level fluctuations in the Central Pacific Basin, current patterns around and through the Hawaiian Island chain, and sea-air interaction in the North Pacific, especially in the trade-wind area and its relation to ocean circulation.

An active research program in marine geophysics is developing both within the department of oceanography and in cooperation with the solid-earth geophysics research group of the Hawaii Institute of Geophysics which receives about $600,000 a year in non-State funds for oceanographic research. Gravity, magnetic and seismic surveys are undeway at many places along the Hawaiian swell and elsewhere in the Pacific Basin.

Chemical oceanographic research programs currently in progress include studies of trace metals and various aspects of the organic chemistry of sea water, and comparative biochemical studies of marine organisms. Palaeomagnetic, thermal conductivity, and other geological and geopyhsical studies are being made of deep-sea sediment cores.

Biological programs underway include the structure and dynamics of plankton populations, a program that is keyed to the unique accessibility of the populations in Kaneohe Bay and the adjacent deep-ocean habitat.

There is also an active program, including both field and laboratory research on the biology and ecology of larval pelagic fish. In addition, there are programs, in primary production, phytoplankton ecology, zooplankton behavior, population dynamics, benthic ecology, and zooplankton samplings.

The university's leadership in oceanographic research resulted in Hawaii being selected as the site for the Mohole Project. However, due ot the Vietnam crisis, Congress shelved the project.

New oceanography research facilities are planned at Kewalo Basin and the Institute is planning to develop a research facility on Fanning Island.

The Institute is also furnishing the scientific personnel for a study of the behavior of underwater sounds in the Central Pacific. This work is being conducted on a $500,000 contract from the Alpine Geophysical Associates of New Jersey who are making the study for the Navy Oceanographic Office.

The University's Coconut Island research facility was given the responsibility by the state legislature for a major new fisheries research program in 1965 and the lab changed its name to the Hawaii Institute of Marine Biology.

To meet a growing demand in research and industry for ocean engineering graduates, the University created a new master of science degree program in this field in June 1966.

INDUSTRY EYES ISLAND SITES

(By Wallace Mitchell)

A modest advertisement placed in several limited-circulation technical publications last year produced strong testimony to growing industrial interest in Hawaii as an oceanic research site.

The ad was jointly sponsored by the Department of Planning and Economic Development and the Hawaii Chamber of Commerce at a cost of about $6,000, and it appeared in the Harvard Business Review, Under Sea Technology and several other scientific journals.

It called attention to Hawaii's advantages for oceanic endeavor and offered additional information on request via a State brochure, "Hawaii: Gateway to Hydrospace."

There were 547 requests for the brochure.

Last August a symposium on oceanographic research was conducted here by the Institute of Electrical and Electronics Engineers, drawing experts from all over the world. It drew more industrialists than do most such meetings, which generally are monopolized by scientists.

More and more firms are competing for government contracts for oceanic research work, and many of them are doing it in Hawaiian waters.

Much of the work is of classified military nature in connection with the Navy antisubmarine warfare projects.

The biggest and best-known Navy project is, of course, the construction of an underwater instrumentation range 10 miles off the west coast of Kauai near Barking Sands.

Kentron Hawaii, a subsidiary of Ling-Temco-Vought Corp., is the major contractor. Lesser known are some of the subcontractors such as ITT-Federal Laboratories and Undersea Engineering and Construction Co. They do not get headlines but operate under financially-hefty contracts.

The Honolulu-based Undersea Engineering firm has a $1 million contract making submarine explorations off Thailand as part of that nation's program of making an inventory of commercial potentials on the ocean floor off its coasts.

Pacific Submersibles, Inc., was formed last year for oceanic research contract work and expects delivery next month of a $100,000 submarine equipped with hydraulically-powered exterior "arms" for undersea work.

Alpine Geophysical Associates, Inc., of New Jersey has established a local office because of its growing ocenic research contract work in the Pacific area.

The Environmental Science Services Administration (ESSA) of the U.S. Department of Commerce is assigning a new Coastal and Geodetic Survey hydrographic ship, MacArthur, to home port in Honolulu because of growing demands for oceanographic research.

TRW Systems, Inc., of Redondo Beach, Calif., Sea-Tech, Inc.; Bissett-Berman Corp. of Santa Monica, Calif.; Bendix Field Engineering of Owings Mills, Md., and other firms with oceanographic research capabilities have established branch offices here.

In every case, they help to attract additional industrial interest in oceanic studies in Hawaii waters because they are here and ready to operate.

The Hawaii Manufacturers' Assn. also is exploring ways that its members can offer services, equipment development and maintenance, for Mainland-based firms requiring local support for work they may obtain here.

Marine Acoustical Associates of Miami, Fla., recently sent one of its staff here to investigate the potential for its services in instrumentation and installations.

It all reflects industrial interest in Hawaii's oceanographic future.

THE REAL COST OF THE WHEAT PROGRAM

Mr. McGOVERN. Mr. President, on Tuesday, January 31, the distinguished Senator from Florida [Mr. HOLLAND], my associate on the Committee on Agriculture and Forestry, had printed in the RECORD an Associated Press article which correctly placed Government payments to farmers under our present wheat program during 1966 at $683 million.

The figure needs to be understood for it can be misleading. It does not represent net Government cost, which was less than half of the total of payments.

The Associated Press obviously got this figure from a table which appeared in the agricultural prices report issued January 30. The table was prepared in connection with calculation of the adjusted parity return to farmers on various crops.

The parity ratio for 1966, based on cash prices received by farmers during the year was 80. The adjusted parity ratio, which includes payments to farmers under the various commodity programs, stood at 86. As the table used by the Associated Press reflects, we have been increasing the use of payments to assure equitable farm income since 1956, when wool and soil bank payments were instituted, and 1961, when feed grain and wheat payments were added.

As I have stated, the $683 million is the total of payments, but it is not the cost to Government of the voluntary wheat certificate plan.

The cost to the Government of wheat payments to farmers is less than half the total amount of payments because 75 cents per bushel of the wheat payments is repaid to the Treasury by those who process wheat into food for human consumption domestically under the certificate plan. I am advised by the Department of Agriculture that Treasury receipts from processors for certificates in 1966 were approximately $375 million, leaving the net cost to the Government of wheat payments to farmers between $305 and $310 million. It is difficult to be exact because the wheat marketing year runs from July 1 to June 30 and the figures under discussion are for the calendar year 1966.

Included in the Government cost is an outright payment of 57 cents per bushel on domestic food wheat and approximately $27 million for acreage diversion. There will be no acreage diversion costs to Government under the wheat program in 1967.

I would like to recall for the benefit of the Senate and those who read the RECORD that when the voluntary certificate plan was adopted for wheat, the Government loan was reduced to $1.25 per bushel and the 75-cent certificate took up the difference between the loan rates and the then current cost of wheat for food uses. It did not constitute a tax or an additional charge on bread and dairy products. The additional 57-cent payment by the Government on domestic food wheat was adopted the following year.

On the first day for introduction of bills in this session of the Senate I submitted S. 7, which proposes a 65-cent-per-bushel export certificate on 35 percent of the wheat crop. Assuming a 1.6 billion bushel wheat crop—the goal for 1967—the gross cost of the export cer-

tificates I have proposed would leave the net cost to the Government of our wheat program below the $683 million payments to farmers figure carried in the Associated Press story. The Government outlay for the export certificates would be less than the Government reimbursements by domestic food processors—$364 million compared to $375 million.

Measured on the basis of improved international relations, human lives saved, and increased security in this troubled world which we have, and can, achieve with our wheat, the cost of the program is extremely modest.

I recently quoted a statement made by the distinguished Senator from Vermont [Mr. AIKEN] to the effect that food has won more victories than all our arms and military expenditures. This is undoubtedly true.

Our wheat program is a bargain. Our real problem is not to drive such a hard bargain with the producers—not to shorten their pay—to such an extent that our supply of this strategic commodity, increasingly more valuable than arms or gold, is reduced or endangered as the world food and population crisis mounts.

EXEMPTION OF BLOOD AND OTHER HUMAN TISSUE BANKS FROM ANTITRUST LAWS

Mr. LONG of Missouri. Mr. President, on January 24 several Senators joined with me in introducing S. 628, a bill to exempt nonprofit blood banks and other human tissue banks from the antitrust laws.

It is impossible for me to consider blood and human tissue as normal commodities of commerce, and it is ridiculous for the FTC to destroy the efforts of local communities to insure themselves an adequate supply of untainted blood, as it is trying to do in the Kansas City Community Blood Bank case.

The Kansas City Star recently published an excellent editorial on this matter, indicating clearly that this is a national issue, not merely a local one.

Mr. President, I ask unanimous consent that the editorial be printed at this point in the RECORD.

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

THE BLOOD BANK ISSUE NEEDS CLARIFYING

A bill introduced last week by Sen. Edward V. Long of Missouri to exempt nonprofit blood banks from the antitrust laws is a matter of elementary logic. The measure also is based on the senator's familiarity with the Kansas City Community Blood bank and its tribulations with the Federal Trade commission.

Last October the FTC majority said that Kansas City hospitals and physicians have restrained the trade in blood and banded together to "inhibit the development of licensed commercial banks which meet government but not their own self-imposed standards." An FTC minority said the commission had no business involving itself in medical judgments by doctors in treating their patients. The Kansas City Community Blood bank has appealed the FTC ruling.

Senator Long believes that the FTC intrusion is a test case. He says: "If the FTC wins . . . the nonprofit facilities and systems in a large number of communities across the country will be in grave danger of being crippled or put out of business." Thus the matter goes somewhat beyond a local problem. The question is whether a community can organize its voluntary resources to assure the availability of blood and whether the people who know something of medicine and community conditions can set standards of quality.

The banking of blood is not really like the storing of peanut butter or some similar commodity. If the hospitals and doctors were in a conspiracy to corner the market and dictate the brand of peanut butter to be served the sick and injured, then that would be something else. The FTC would have every right to inveigh against monopolistic practices. The courts, naturally, will have to determine the pending case on the basis of present law.

But Senator Long proposes to remove any future doubt by a clear statute that would permit hospitals and doctors and nonprofit blood banks to refuse the blood and plasma from other blood banks without standing in peril of the antitrust laws.

As we said, this is not purely a Kansas City matter. Hundreds of nonprofit, community blood banks across the country have a stake in Senator Long's bill. We hope his colleagues in the Senate and the House of Representatives are aware of this fact.

THE SPACE TREATY—A WORTHY TRIBUTE TO BRAVE ASTRONAUTS

Mr. WILLIAMS of New Jersey. Mr. President, the tragic accident at Cape Kennedy which took the lives of three of America's astronauts diverted much public attention from the signing in the White House of the momentous space treaty. As the New York Post points out in its editorial of Monday, January 30, this agreement will guarantee that American and Soviet spacemen will, in President Johnson's words, "meet someday on the moon as brothers."

The Post suggests that, while we mourn these three brave astronauts, the Nation could raise no more suitable memorial than to have the Senate promptly ratify this significant effort to dedicate our efforts in space to peace rather than to war. 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:

THE APPROPRIATE MEMORIAL

Among his thoughtful remarks at the White House ceremony marking formal signing of the space treaty, President Johnson said the agreement was a guarantee that American and Soviet spacemen "will meet some day on the moon as brothers."

They are already members of a relatively small fraternity of skillful, courageous and adventurous men, equally bold in facing the same dangers, sharing the same extraordinary experiences, dreaming the same dreams. The tragedy at Cape Kennedy deeply and personally touched them all.

In this moment of national mourning, the Senate is confronted with the issue of approving the space treaty. It would be a magnificently fitting tribute to Roger B. Chaffee, Virgil I. Grissom and Edward H. White for the Senate to ratify the treaty promptly and unanimously. No memorial could be more meaningful.

ANY RESEMBLANCE BETWEEN THE LAREDO AND THAT PORTRAYED IN READER'S DIGEST IS PURELY COINCIDENTAL

Mr. YARBOROUGH. Mr. President, I never cease to marvel at the fictional talents of the editors and writers on the Reader's Digest. Although each issue of the magazine contains many delightful stories about American life, they get so hysterical whenever they publish anything about the efforts of the Federal Government to assist people in lifting themselves out of poverty, that they often rise to breathtaking heights of fictional imagery.

Their latest excursion into fantasyland, entitled "Laredo Learns About the War on Poverty," appears in the January 1967 issue. Any connection between this story and the whole truth is purely coincidental. The Reader's Digest does immeasurable disservice to progressive government when it adopts this tactic of one-sided distortion in place of sound, constructive analysis and criticism.

The 1960 census showed that the median income in Laredo was only $2,952. Half of Laredo's families have incomes under $3,000 per year. Laredo's low-income problem is thus very serious, and the people of Laredo are sincerely trying to increase the economic opportunity of the low-income people of the area. With problems of such magnitude, mistakes will inevitably be made. Moreover the situation cannot be changed overnight. But the picture painted by the Reader's Digest article is shamefully distorted. The people of Laredo are conscientiously going about the business of dealing with an enormous problem. I commend them for their efforts and regret whatever disservice has been caused them by this unfortunate article.

I ask unanimous consent that the following three exhibits be printed in the RECORD:

Exhibit 1. "Laredo Learns About the War on Poverty," written by Kenneth O. Gilmore, and published in the January 1967 Reader's Digest. Presented as evidence of distortion, not as an endorsement.

Exhibit 2. A letter from Walter Richter, director, Texas Office of Economic Opportunity, proving false the contentions in the article.

Exhibit 3. A letter from Ones C. Farmer, director, Inschool Neighborhood Youth Corps, Laredo, Tex., proving false the parts of the article referring to the Neighborhood Youth Corps.

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

[From Reader's Digest, January 1967]

LAREDO LEARNS ABOUT THE WAR ON POVERTY

(By Kenneth O. Gilmore)

"Boondoggle!" "Failure!" "Scandal!" "Hoax!" These charges are hurled almost daily at the federal government's billion-dollar War on Poverty. Unfair, reply its proponents. They maintain that such a vast, contraversial undertaking is bound to include a few mistakes. Surely, they argue, the program deserves to be shown at its best.

So, come down to the dusty, windswept streets of Laredo, Texas, billed by Office of

Economic Opportunity boss Sargent Shriver as a "showcase of success." Just 230 miles from the Texas White House, Laredo (population 65,000) has been declared a "demonstration city"—the only one of its kind in the War on Poverty. As one OEO official has said, "We hope to spotlight national attention on Laredo as a model project."

So be it.

Laredo, just across the Rio Grande from Mexico's Nuevo Laredo, is called the "Gateway City." It is a place of paradoxes: a border town of booming commerce and wretched slums, of leather-faced ranchers and barefoot children, of Kiwanis luncheons and welfare lines. In the poverty-blighted *barrios,* sun-weathered wood shacks huddle in decrepit shame on weed-infested dirt streets while, just blocks away, sprinklers spin cool droplets on the green lawns of fine homes.

Although Laredo has the lowest per-capita income among U.S. cities, according to the last census, its retail sales climbed close to $90 million in 1965, and tourist traffic has broken all records. Bank deposits shot up $5 million during a recent 12-month period to $58,452,000, while 165 miles of streets remain unpaved. Inside the county courthouse, an expensive brass plaque commemorates officeholders for installing an air-conditioning system. Outside, within a two-minute drive, children play beside a stinking, trash-infested creek.

"IT DOESN'T MAKE SENSE"

In recent years, Laredo has been handed some pretty large pieces of federal pie—from $630,000 for a shiny civic and convention center with swimming pool to $1,600,000 for a handsome senior citizens' home. But these have done the hard-core poverty-stricken little good. Some months, up to 11,000 persons get surplus food. More than 400 families collect aid-to-dependent-children payments. Approximately 2500 able-bodied persons are normally unemployed.

What creates these conditions? Isolated from other major cities by miles of sand and scrub, and low on natural resources, especially water, Laredo has attracted little new industry. But what has caused economic havoc is the "commuter problem." Every morning, 3500 Mexicans from Nuevo Laredo walk across the International Bridge spanning the Rio Grande to work as clerks, maids, bellhops, typists, factory hands. U.S. immigration laws allow these Mexicans to take jobs desperately needed by Laredo men and women. "It just doesn't make sense," say many poor and unemployed. Concerned citizens declare, "If Washington would stop the commuter influx, we could save millions of federal dollars."

POLITICAL PEONS

But something far more dramatic was available in Washington—the Great Society's War on Poverty. Laredo got its first real taste of this war in June 1965, when Mayor J. C. "Pepe" Martin, Jr., returned from the nation's capital and announced the go-ahead for a long-awaited Neighborhood Youth Corps (NYC) project. Expectations were a mile high. Youngsters 16 to 21 from low-income families flocked to sign up for jobs paying $1 an hour for 30 hours a week. "You'll get experience and skills for today's world of work," promised an administrator. Skills? The children of Laredo's poor found themselves assigned to painting streets curbstones, washing police cars, collecting garbage.

"There was a lot of talk about improving skills," says one disgusted anti-poverty worker. "And, sure, a few kids benefited. But most became peons for various political subdivisions."

As the NYC payroll built up to 1000 youngsters, it became a bookkeeper's nightmare. Instead of organizing one central operation, Washington doled out dollars to the city, to the local school system, and finally to Webb County, which encompasses Laredo. Each ran a separate little kingdom with its own personnel, resulting in a pile-up of over 50 supervisors, administrators, and clerks.

There were several popular children's activities that first year, ranging from Head-start preschool classes to tutoring of backward children to free hot lunches. But the critical need was for jobs—and, as a local radio editorial declared, "Practically nothing was accomplished except a lot of window dressing."

Then, early in January 1966, the Office of Economic Opportunity's southwest regional director, Dr. William Crook, arrived from his Austin headquarters for what a press release heroically described as a "battlefront" inspection. He let it be known that OEO chieftain Shriver himself had requested a comprehensive evaluation of the community's social and economic needs. Soon specialists from Washington and Austin arrived for a three-day "field survey." In early March, the big news was announced: Laredo would become a "multimillion-dollar demonstration city in the War on Poverty." The idea was to show what the full impact of federal aid could do.

THE GREAT JOB RUSH

Dr. Crook promised that "within the current fiscal year" Washington was prepared to grant the city $2,050,000. That figured out to half a million dollars a month—and now the program shifted into high gear. Within weeks the OEO disclosed that $132,975 had been granted Laredo's Community Action agency for "conduct and administration." This sparkling bureaucratese fooled no one. In a flash, word was out that nine "poverty" staff posts were up for grabs at salaries ranging from $450 to $1167 a month. When the dust from the stampede of applicants settled, five teachers, badly needed in the Laredo schools, had been picked to become paper shufflers in the war on poverty. The nephew of a county commissioner snared one opening.

As "poverty" grants were announced—always first by telegrams from Washington to the local newspapers and radio stations—everyone from secretaries to car salesmen started leapfrogging into this suddenly lucrative field. The child-welfare unit lost its only case worker-registered nurse; she received a $2000 salary boost, thanks to OEO. By August, "poverty" was a huge new industry in town, with more full- and part-time people on its rolls that any single business!

LASSOING THE PORK

As a "demonstration city" Laredo started swallowing all types of pills from the anti-poverty medicine chest. There was $39,000 for a medical rehabilitation center and $62,000 for free legal services. A $400,000 *first-year* administrative allotment was approved mainly for salaries at a multi-service center and three outposts—an apparatus headquartered at a refurbished orphanage in the poverty-stricken Azteca neighborhood and designed in part to give the poor a place to discuss their difficulties.

Anti-poverty grants put heavy emphasis on welfare, rather than "economic opportunity." The OEO paid out $6,000 for recruiters to sign up older citizens for Medicare. Another $21,000 went into citizenship classes for older Mexican immigrants. Why? So they could become Americans and be eligible for old-age assistance.

To line up as many federal-aid projects as possible, Laredo retained a planning consultant in January 1966. He is Paul Garza, Jr., an engineer-city planner and former urban-renewal official who has mastered the art of writing proposals for Washington officials. "You can't just fill out the forms," he explains. "You must learn to think like they do, and give them the detailed information they want."

Garza is helping Laredo lasso a whole new herd of "poverty" grants, a number of them pure pork barrel. They include $1,500,000 to help boost water production and extend lines; $752,000 for a building to house all the county and city welfare agencies; $635,000 for airport improvements. To bring home all this bacon and more (total: $4,274,500) the area will have to fork up $2,466,500 in "local contributions." A worried chamber of commerce official told me, "We may well go broke just trying to take advantage of federal generosity."

CONFUSION AND COMPETITION

But digging up local funds to qualify for Washington's riches wasn't Laredo's only worry. As one program piled upon another, red-tape tangles and stupefying confusion inevitably followed. The government's cure-all catalogue offers a choice of 115 different items, and Laredo figures it's eligible for 113. Part of OEO's money funnels through other federal agencies, such as the Department of Health, Education, and Welfare, which also disburses aid-to-education funds for poverty areas. HEW has put so much into Laredo ($2,700,000) that a "coordinator of federal projects" for the public schools had to be hired with his own separate staff and an extensive network of full- and part-time teachers and field supervisors.

Before the poverty war came to Laredo, another federal program, started in 1962, had been successfully training people for specific available jobs. In spite of this proven approach, anti-poverty planners have stumbled over one another in a frantic race to launch three job-training schemes, each with separate, competing staffs. Funds for one $733,000 project under HEW's protectorate sifted through five federal-state echelons before reaching the first group of 146 welfare recipients signed up for "work experience" schooling. Community Action Program (CAP) executive director Luis Diaz de Leon and his staff spent untold hours working up a detailed proposal for training migrants, only to discover, after it was sent to Washington, that HEW's local federal coordinator for poverty had beaten them to it with a $294,000 venture!

In truth, the war between the bureaucracies in Laredo has often been hotter than the poverty war. The local "poverty" office has battled furiously with agencies such as the Texas Employment Commission and Department of Public Welfare. The infighting got so bad that Laredo's poverty-war chief recently complained about "bureaucratic stumbling blocks," and charged that the "influence of political elements" has jeopardized the success of programs. A spokesman for one religious group collecting federal money has openly labeled the Community Action agency as "inefficient." Meanwhile, the poor watch in wonder as bureaucrats and politicians squabble over just who is supposed to be "helping" whom.

FEDERAL-DOLLAR FEVER

Something else is happening in Laredo: many people are learning to lean on the federal crutch and like it. The area's representative in the state legislature has said he wished "we had more hands to stick out for federal aid."

The degree to which this philosophy has seeped into the community is illustrated by a $249,208 OEO grant glowingly described in a Washington press release as a "beautification" project for a recreational site that would also give training to jobless workers. Late last summer I drove out to the edge of town to see this project. I found a large construction crew working on new stables for the local racetrack—housing for horses which was far superior to scores of shacks in poor Laredo *barrios* that I had visited.

Nearby loomed a large grandstand, also slated for "beautification." The track is run by a nonprofit, tax-exempt organization of ranche.s, horse owners and other prosperous

citizens, called the Laredo International Fair and Exposition (LIFE).

Originally, LIFE had not planned to tap the federal till. But with plenty of anti-poverty cash flowing into this "demonstration city," the temptation to get in on the gravy was irresistible. Why not use "poverty" trainees to build stables at the track, and to make other improvements such as extending the grandstand roof? Federal officials bought the scheme—with a warning to "play down" the racetrack aspects.

The infection that is working its way into Laredo's bloodstream is called federal-dollar fever. Not long ago, the Boy Scouts received a large private donation to increase Scouting in Laredo's poor section, with the provision that matching funds be raised. Bill Harrell, co-owner and manager of radio station KVOZ, who headed this voluntary effort, reported that time and again people shook their heads. "Why should I give you anything," they said, "when the War on Poverty will take care of everything?"

Such warning signals have been lost, however, in the tumult over the "demonstration city." It reached a peak when Shriver visited Laredo last summer. His first stop was at the multi-service center in the Azteca neighborhood. Surrounded by politicians and "poverty" workers, he spoke to a cheering crowd, many from nearby wood shacks. "It's a treat for me to be here in this showcase of the success in the war against poverty," declared Shriver.

The next day, he left and proceeded to President Johnson's ranch, reported that the war was going great guns in Texas, and described the cheering crowds in Laredo.

POOR AS EVER

By last fall the cheering had ceased. One evening, 150 residents of the poverty-stricken Azteca neighborhood collected outside their run-down homes to complain that distribution of "poverty" jobs had been unfair. Bitterly they expressed their dissatisfaction at the way administrators had been treating them. "They never keep their promises," cried one. The group was forced to gather in the middle of a dirt road because officials, fearing trouble, had locked them out of the center designed expressly for their benefit.

Policemen were on hand, and a paddy wagon stood by, but there was no trouble, only disillusionment and anger. It wasn't exactly the stuff that goes into press releases. It was simply people awakening to the harsh reality that prosperity had not suddenly descended upon them just because they were in a "showcase." For, while some poor have received antipoverty aspirin, Laredo still suffers the same splitting economic headaches—despite the dispensing of over $5,500,000 to date in all types of aid. Commuters still surge across the bridge from Mexico; unemployment remains high; squalid *barrios* still reek with the smells of impoverishment. And the town's poverty problems are as acute as ever—except, of course, for an array of wealthier poverty-war jobholders.

"We are a demonstration city, all right," says Bill Harrell. "We're a demonstration of how to shatter high expectations and pass our problems over to a new federal hierarchy."

If this is the War on Poverty at its best, surely it's time for drastic improvement.

EXECUTIVE DEPARTMENT,
OFFICE OF ECONOMIC OPPORTUNITY,
Austin, Tex., December 30, 1966.

PUBLISHER, THE READER'S DIGEST,
Pleasantville, N.Y.

DEAR SIR: I could with a little effort document a thousand—or ten thousand—opinions that the Reader's Digest is biased, dishonest, and reactionary while at the same time excluding any favorable statements whatsoever. Unfair, you would reply.

Yet in Kenneth C. Gilmore's article, "Laredo Learns About the War on Poverty," you first rebuke proponents of the War for reacting to blanket indictments of the program and then proceed with a purely one-sided and totally negative recitation about the Laredo effort.

In my opinion, the article stands as a rather severe indictment of the Digest's standards of objectivity and fair reporting, a judgment I shall support in detail in this communique.

No one in the Office of Economic Opportunity, to my knowledge, has ever been so naive as to assert, suggest, or imply that this or any effort to overcome the deeply ingrained social ills that cause poverty can be accomplished without dissent and controversy or between March and November of any given year. This would be particularly true in a city acknowledged as "the poorest in the nation." Yet Mr. Gilmore has emphasized (and exaggerated) dissent in Laredo and the lack of extensive and highly visible results after a few months of effort.

Incidentally, Sargent Shriver has estimated recently that some eight million citizens in poverty have been "reached" through War on Poverty efforts—a rather significant number. Yet it would challenge no reporter to obtain critical testimony from the three out of four poor Americans who have not been "reached."

Another major point made in the article is that the governmental involvement is extensive and that this has resulted in a debilitating dependence on the Federal establishment. The Digest is certainly within its rights to oppose editorially any or all Federal community resources but it hardly seems germane or proper to superimpose this broad anti-government posture on a report of the anti-poverty effort in one community.

For example, mention is made of a civic center partly built with Federal funds. This, incidentally, was built in 1962. Is the Digest thereby suggesting that our government should not have programs which assist communities to obtain such centers—which in the instance of Laredo has proved a boon in convention and tourist development? Or is the Digest's point that Laredo is to be condemned for utilizing this resource, as many American cities have done?

Mention is made of a senior citizens' home which, incidentally, was also built three or four years ago. Is the Digest taking the position that Laredo city fathers are to be slapped for utilizing an available program which supports a community effort to provide facilities for its senior citizens?

Mention is made of a grant for airport improvement. Since this doesn't seem to relate to the War on Poverty, does this imply that the Digest is using its Laredo report to make a case against Federal airport improvement programs? Or does it suggest that Laredo, to maintain its integrity, should leave this resource to other, richer cities?

Mention is made that the City—not the OEO—has actually employed a planning consultant who is skilled in grantsmanship so that proposals to Washington can be properly prepared. Is it possible that the Digest is unaware that almost every American municipality of any size has employees with this capability?

Does the Digest actually not know that a very great many public school systems have employed "coordinators of Federal projects" such as it condemns the Laredo schools for having?

And how about that staff of nine employees who were budgeted to design and administer a massive, imaginative, "demonstration" anti-poverty program in Laredo? What sort of staff would the Digest suggest for this obviously complex and difficult job involving large sums of tax dollars? Does the Digest suggest that the low figure of $450 per month or the high figure of $1,167 are out of line for this type of talent?

Mention is made of the rush for the available jobs and of the fact that some teachers and a caseworker-registered nurse were employed. The rush for jobs seems to prove only that there are a great many people in Laredo who are looking for employment or better employment, which is hardly an indictment of the job-seekers or the program offering the jobs. And would the Digest suggest that a job requirement should be that the applicant must not be presently employed in any position where his services are needed?

The test of the effectiveness in employment is, of course, the quality of the people actually hired. The Digest hardly made an objective evaluation of this. It did refer to them as "paper shufflers." And it did report that the nephew of a commissioner "snared" one opening, without mentioning, of course, that the commissioner is not on the Board which does the hiring.

Now let us take a quick look at programs and projects that were developed and initiated in the paper shuffling process. Some of these the Digest has mentioned, without giving all pertinent facts.

One is a medical rehabilitation center. Laredo is completely isolated from other medical rehabilitation facilities and services, and the need for Webb and adjoining counties is quite obvious. The buildings were financed partly from Hill-Burton funds, and the OEO funding bolsters a private support program on an interim basis.

Another project, which the Digest derided, was designed to provide citizenship classes for residents who have resided in Laredo for many years. Most are of Latin-American extraction who for reasons of ignorance, poverty, and the language barrier have not previously acquired citizenship. Many in the classes are not elderly and are therefore not eligible for old-age assistance which the Digest states is *the* reason for their taking this course.

A number of the "students" in the citizenship classes are parents and grandparents of U.S. fighting men, past and present. In any event, it is hard to conceive that the Reader's Digest would decry any effort that is made to afford citizenship to bonafide residents of this country.

Operation Medicare Alert, a standard OEO program which was conducted nationwide, was of particular significance to many elderly, poverty-stricken citizens in Laredo who because of their lack of education and their language problem would otherwise not have qualified to participate in services to which they are plainly entitled under the law.

The Digest mentioned the Neighborhood Multi-Service Center and the subcenters. This type of project has been given high priority by OEO as the most effective means, and least costly administratively, of reaching the poor where they live with a variety of needed services. The program is still in the development stages in Laredo but is already achieving good results. Effective operational support is being provided by VISTA volunteers assigned to the Laredo campaign.

The Legal Aid program mentioned by the Digest has been in operation only two or three months. This type of service, badly needed by the poor in Laredo, has been fully endorsed by the American Bar Association, if not the Reader's Digest.

The Digest was particularly critical of the Laredo Nelson Amendment project, part of a nationwide program in the area of beautification with heavy emphasis on basic education and vocational training for the hard-core poor. The Laredo project, when completed, will have trained 225 men for jobs in masonry, electrical work, welding, and plumbing, and the community will have another excellent recreational facility and income producing tourist attraction. Included will be, indeed, a race track owned by the Laredo International Fair and Exhibition, a private non-profit corporation which the Digest failed to mention dedicates earnings

to local community services, principally involving youth. A privately-funded juvenile retention center received such a contribution recently.

The Digest mentions the Laredo Head Start program. Head Start has been nationally acclaimed, even by some of the OEO's most militant critics, as the most successful of the anti-poverty efforts. Yet the Digest's somewhat amazing comment on Laredo's Head Start is: "But the critical need was for jobs."

There is no one in OEO who suggests that employment is not the end-result which all programs aim for or to which they relate, even if long-range as in the issuance of Head Start. Laredo's OEO programs also include components in remedial education and personal homework assistance. It is difficult to imagine that the rationale of Head Start and other child development projects in the total anti-poverty campaign has actually escaped the Digest.

Job training, development, and placement, as I have said, are areas of OEO emphasis. I have reported on Laredo's Nelson Amendment project—which provides training for eventual employment for the hardcore poor. The Digest referred to, without criticism except to observe it is "one of three" job-training "schemes," the Title V or "work experience" project aimed at taking 146 former welfare recipients off the welfare rolls. This is another program of national scope which is actually succeeding in what surely the Digest will concede is a laudable mission. The third is the Labor Department Manpower Development and Training Act program which the Digest generously acknowledges has been "successfully training people for specific available jobs" since 1962.

I'm sure the Digest applauds the recent action by Congress in transferring such manpower programs as Nelson Amendment and Title V to the Labor Department which is in the manpower business. In the meantime, since Laredo—surely with Digest approval—has obviously acknowledged the importance of jobs for the poor, she can hardly be blamed for utilizing *all* available resources to provide job training and placement opportunities.

Two other programs utilized in the Laredo anti-poverty effort address themselves to preparation for skill training. One is the Adult Basic Education project aimed at advancing functional illiterates to an educational level to qualify them for job training. Another is the Texas Adult Migrant Education and Pre-Vocational Training Program which had a successful first year and has moved into its second year on a slightly larger scale.

This program and the Texas Children's Migrant Education Program, which concentrates nine months schooling in the six month period that the migrants are home based, are designed to prepare migrants for the rapidly approaching day when mechanization in harvesting will have eliminated the jobs which now provide them with seasonal employment.

There are about 10,000 migrants whose home base is Laredo. Many are unemployed much or even all of the time they are not on the road, and they are the ones who constitute the bulk of the recipients of surplus foods mentioned by the Digest. The alternative to their use of the surplus foods in many instances would be starvation, pure and simple.

Laredo's utilization of the Neighborhood Youth Corps initially suffered from the assignment of a disproportionate number of trainee slots to Webb County and from management and recruiting problems relating to the crash nature of the project. Since then an equitable statewide distribution plan has been put into effect with cost-reducing consolidation of administrative units and increased emphasis on quality job-training aspects. Currently the Webb County Commissioners Court administers an NYC out-of-school program for 225 youths scattered over an 11 county area. The Laredo Independent School District administers the in-school program for 200 trainees in Webb and LaSalle counties.

The Digest in its report simply belittled the NYC program by emphasizing (and again exaggerating) initial diffculties and making only a passing reference to concrete values resulting from the programs. It certainly made no effort to record the administrative and program improvements which have been accomplished.

I have just seen the letter written to the Digest by Mr. Ones C. Farmer, Director, In-School Neighborhood Youth Corps, Laredo, who was not interviewed by Mr. Gilmore, and who provides factual information which refutes inuendos in the Digest article about NYC and fully supports by charge of the low standards of reporting in the Digest article.

Mention is made of a grant "to help boost water production and extend lines." This is a project, which also provides sewage lines and facilities, funded by the Economic Development Administration and is limited to slum areas of the city. The EDA also is the funding agency for a project to provide a building for the county and city health and welfare agencies. This replaces an old grossly inadequate frame building which was formerly a T.B. hospital.

These projects are termed pure pork barrel by the Digest. Perhaps so. It is interesting to note at this point, however, that 98 Laredo tax-payers pay 33 per cent of the total city taxes and a total of 1926 citizens pay 69 per cent of these taxes. On the other hand, the city taxes paid by the 7,089 lowest tax-payers, about one-half of all Laredo tax-payers, add up to only five per cent of the total. There are doubtlessly many families who pay no taxes at all.

These figures point up the enormity of the poverty problem in Laredo, and they tend to explain the understandable if not justifiable reluctance of the inhabitants at all levels to increase the tax load.

The Digest simplifies the Laredo problem by quoting "concerned" citizens who declare that the answer lies in Washington's stopping the influx of commuters from Mexico. Apparently the Digest reporter did not trouble to talk to other concerned and informed citizens who cite statistics to the effect that 80 per cent of Laredo's retail business comes out of Mexico. Since the Digest did determine that these retail sales "climbed close to $90 million in 1965," one can readily see what sort of a blow the Laredo economy would suffer if 50 per cent, much less 80 per cent, of this business were placed in jeopardy by reaction to a commuter restriction, as is predicted.

The fact is, of course, that Laredo has serious problems and few of them, if any, have easy answers. The Economic Opportunity Act and other programs which our Congressmen in their wisdom have provided as resources are being utilized in a new effort, where nothing has succeeded in the past, to find some of the answers.

Unlike many Federal programs, the OEO seeks to develop a meaningful and effective marriage of the Federal, State, and local (public and private) sectors with particular emphasis on a broad-based involvement at the local level. The local CAA board, in the last analysis, is autonomous, a principle which surely the Digest can support.

Another feature of the OEO approach is heavy emphasis on coordination—to effect better planning and to eliminate duplication and inefficiency. As a result, and this can be documented in Laredo and nationwide, agencies and individuals are communicating and cooperating as never before.

That the Digest article was incomplete and one-sided is understandable since for some reason no information was sought from anyone in the Regional OEO or the State technical assistance office, both of which have considerable pertinent data available about the Laredo effort. At the Laredo level, very few of the persons who play key roles were contacted at all. Interestingly, one source of negative information, a gentleman who is quoted directly in the Digest article, is a member of the Laredo CAA Board, but, ironically, has never *in a board meeting* voiced any objections to anything going on locally in the War on Poverty.

Mr. Publisher, the information I have provided here, which I feel is germane and which could have been available to your reporter had he sought it, suggests that Mr. Gilmore's assignment was to go to Laredo and write a negative, destructive story. I hope that this is not so, but the evidence is too overwhelming to leave much doubt.

Sincerely,

WALTER RICHTER,
Director,
Texas Office of Economic Opportunity.

DECEMBER 23, 1966.

READER'S DIGEST,
Pleasantville, N.Y.

Attention: Mr. Kenneth O. Gilmore, associate editor.

DEAR SIR: I am writing you in regard to an article published in the January '67 issue of the Reader's Digest, entitled *Laredo Learns About The War On Poverty.*

The only thing I know about you is that you are an Associate Editor. I have never met you before in my life and I don't see how you can judge the In-school NYC along with the other NYC's in Laredo. In your article you stated that the City NYC, the In-School NYC, and that the County NYC served about one-thousand boys and girls, between 16 and 21 in Laredo. You also stated there was a build up of over fifty supervisors, administrators and clerks.

Since you didn't have the courtesy to visit my office and examine my In-School Project, it is my duty, to the Sponsor and the public to inform you about said Project.

The In-School NYC served 328 enrollees, between the ages of 16 and 21. The family income of these enrollees was $300 or less, per year for each member of the family. As for the supervisors, of which there were 79, they were not paid through Federal funds. The only paid personnel was myself, my assistant, my secretary, full time. I have a part-time bookkeeper. All of the other money spent by this particular project went to the enrollees. As for myself, my salary was $750 a month. I have a Masters Degree and six Professional Life Certificates in the field of education. As for my assistant, his salary was $100 a week. He is a graduate of Texas A&M and had served his time in the Army over seas. As for my secretary, her salary was $260 a month. She has the ability to take shorthand in two languages, proficient in typing, filing and other office procedures. As for the bookkeeper, he has a Masters Degree in Accounting and has been teaching in the Schools of Laredo for over seventeen years. He is the part-time employee, receiving $124 a month. If you call this a build up of supervisory personnel, who are squandering Uncle Sam's money, I suggest that you look into the salaries paid to people with these qualifications in your part of the country.

From this Project we had eighty-two graduating seniors. Ninety per cent of the rest of the enrollees returned to school the first of September, which is something that rarely happens. Most of these enrollees come from Migratory families and as soon as school is out they go North to work in the fields and do not return until late November. Last summer they did not go North, thanks to the In-School NYC.

On my present Program I have two-hundred enrollees working on school property, throughout Webb County and La Salle County. Since I do not have as many enrollees as I had last year, I choose enrollees from families whose per capita income is $200

or less for each member of the family. However, there were special cases where I might have gone a little above $200. Most of my enrollees do not have but one parent. Some of them do not have either parent.

The In-School Project is an investment in human beings. Any enrollee that graduates from high school, through the assistance of NYC, will pay back to Uncle Sam in income taxes more money than Uncle Sam will spend in keeping them in school.

For your information, I am sending carbon copies of this to the Managing Editor of the Reader's Digest. Also to people that I feel need to be informed concerning my part in the Federal Projects.

Since you did not visit my office while you were in Laredo, I hereby extend an invitation for you to do so.

Respectfully yours,

ONES C. FARMER,
Director,
In-School Neighborhood Youth Corps.
LAREDO, TEX.

CONDITIONS FOR ENDING WAR IN VIETNAM

Mr. McGEE. Mr. President, the signs are such as to indicate that, ultimately, success is inevitable in Vietnam; that is, a successful resolution of the major war there. Winning peace, perhaps, is another matter since that requires more than a cessation of major hostilities. Still, there is much of what we call peace talk currently in the air. Yesterday, in his news conference, the President again invited, repeatedly, a gesture from North Vietnam indicating that it was willing to talk peace seriously—or at least an end to hostilities. Given that, we could begin talks.

The Washington Post this morning editorialized upon the President's comments and also published a column written by Mr. Joseph Alsop which states rather succinctly why it is that there is a chance for success now. The fact is, as Mr. Alsop states, that at present an end is in sight to Hanoi's ability to wage what we call a big-unit war in Vietnam in the face of our northern bombing.

There is another facet to this, explored by writer Crosby S. Noyes in last evening's Washington Star. Asian leaders, he has found, are baffled by those in America who, in the face of success, counsel retreat. They are counting on our steadfastness, and it is well that President Johnson has again made it clear that we are, indeed, steadfast and will continue to prosecute the war in Vietnam until a reasonable basis exists for negotiations to end it by other means.

Mr. President, I ask unanimous consent to have printed in the RECORD this morning's editorial in the Washington Post, the column by Joseph Alsop, and the column by Crosby S. Noyes.

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

[From the Washington Post, Feb. 3, 1967]

PEACE TALK

The President, at his press conference on Thursday, repeatedly invited, and even solicited, some sign or gesture from North Vietnam that could be construed as an indication that it wishes to discuss peace, or even talk about discussions of peace. A head of state could hardly go farther, in the midst of war, to make it plain that his country is ready for a ceasefire, suspension of bombing, a truce or a de-escalation of the conflict.

Just as repeatedly and emphatically, he declared no sign had been forthcoming. Clearly, he did not construe as a valid sign or signal an intimation from Hanoi that it "could" be willing to discuss peace if the bombing stopped. It would have been rather remarkable had he done so.

This, to be sure, has been the position of the Government of the United States for a long time. But the President's reiteration of his personal wishes seemed, on this occasion, to give more point to the policy and to make it unmistakably clear that the quid pro quo we seek for a suspension of bombing or other de-escalation need not be a major military matter for the North Vietnamese.

As St. Augustine of Hippo declared long ago, "the final object of war is peace." So there is nothing inconsistent between the vigorous prosecution of a war and the simultaneous diplomatic exertion to obtain peace. Still, few countries, in the midst of war, can afford to risk an open pursuit of peace that might diminish the nation's will to wage war. Only countries enjoying internal stability and a reasonable consensus as to war aims can take this kind of gamble. The President has taken it and now it remains to be seen what the response will be from the other side.

The danger of course is that the mere mention of peaceful intent may arouse false hopes, which when they are dashed to the ground, will leave a sense of disappointment and disillusionment. The President did his best to minimize that risk. But he could hardly eliminate it entirely. If there is no new response of any kind from Hanoi, many people will be discouraged. The President risked that disadvantage in order to leave no doubt in Hanoi of our willingness to make peace, to talk about peace or to talk about the possibility of talks about peace-making. He really asked Hanoi for a sign not much more substantial than soup made from the shadow of a rabbit. There is a certain amount of chance-taking in this posture; but no doubt it can be justified as a risk worth taking.

It is possible that this posture will be misread in Hanoi as a sign of weakness or irresolution. It should not be so construed. At the moment, American opinion probably is as united as it ever has been on the unavoidability of carrying the war forward to a conclusion that will secure our minimum objectives. There is scarcely any articulate sentiment in this country for an unconditional withdrawal that would fail to secure the right of South Vietnam to self-determination. Differences over the way to prosecute the war still remain, but they will diminish, month by month, if the possibility of a solution by means other than war seems to disappear. Hanoi has an opportunity to enter negotiations or discussions now under circumstances more favorable to it than those that may exist six months or a year from now. It is to be hoped that this will be understood in North Vietnam.

[From the Washington Post, Feb. 3, 1967]

MATTER OF FACT: AN END IN SIGHT

(By Joseph Alsop)

One way or another, the end of the big unit war in South Vietnam now seems to be rather clearly in sight.

As recently revealed in this space, the Hanoi leaders are using diplomatic intermediaries to feel out the President's willingness to "stop the bombing to get talks." If the President has not taken leave of his senses, he will reply that he is perfectly ready to stop the bombing but only if the Hanoi leaders will stop sending troops and supplies into South Vietnam.

If Hanoi is willing to offer this kind of quid pro quo, it will mean that Hanoi wants genuine negotiations. If Hanoi is not willing, it will mean that Hanoi merely wants a respite in the war, in order to reinforce its badly battered southern units, and then to start the war all over again.

But unless the President has succumbed to a political death wish, this is unlikely to be allowed to happen. Hence events can take two alternative courses, as follows.

The first possibility is genuine negotiation on equal terms, which could perhaps bring the whole war to an end. This is imaginable, although it seems more likely that Hanoi is merely seeking a respite.

The second possibility is that Hanoi will reject negotiations on equal terms; and our Northern bombing will therefore continue.

Assume that the second and more likely possibility develops. In that event, one can rather confidently forecast the fairly early end of the big unit war in South Vietnam. The end may come within a matter of months. And when the big unit war has been won, the worst of the war will be over.

The big unit war (a current Pentagon phrase-of-art) is the war we are now fighting. It is primarily aimed at the enemy's "main forces"—his near-regular battalions, regiments and divisions, which are quite different from his guerrilla and local forces.

Essentially, it is a war of attrition. The attrition's cruelly severe effects on the enemy's big units had already begun to be visible as long ago as last September.

Two factors, it need hardly be said, mainly determine the success or failure of a war of attrition. One is the enemy's rate of loss; and the other is the rate at which he can replace his losses. The Northern bombing is so important because it so greatly affects the enemy's replacement rate.

Since 1964, local recruitment in South Vietnam has never come within miles of meeting the enemy's needs. In the first six months of last year, by enormous and costly efforts, Hanoi managed to bring the average rate of infiltration to the rather high figure of 7000 Northern regular soldiers a month. Even so, the loss-replacement balance was far from satisfactory.

In the last six months of 1966, the cumulative effects of our Northern bombing then began to show in a dramatic manner. The infiltration rate was in fact cut, according to the Pentagon's best estimates, by no less than 75 per cent. In other words, the monthly inflow of Northern soldiers, to serve as replacements in the South, dropped to only about 1700 men a month.

For the same period, the enemy's heavy rate of loss remained approximately constant. And this happened although the Hanoi war planners seemingly adopted a new policy of ordering their big units to elude combat if possible.

In the period before combat began to be eluded, the grisly "body-counts" were running at a level a bit above 5000 a month, on a three month moving average. Today, again on a three month moving average, they are running at about 4900 a month.

These figures of course represent the dead who are left on the field of battle in defiance of VC discipline. A conservative estimate of the enemy's total current rate of loss from all causes, including disease, is 12,000 a month; and it may be a good deal higher.

With only 1700 men a month coming in from the North, the most extreme press gang recruitment in the South can hardly bring the enemy's total of available replacements above 4000 men a month. If the loss rate continues at 12,000 a month, and the replacement rate at only 4000 a month, there can be no question about the final result. It will be the defeat of the enemy's big units. Yet that still leaves many unanswered questions.

Can Hanoi find ways to bring up the infiltration rate again? One must wait and see the January, February and March infil-

tration figures. If high losses and low replacements knock the enemy's big units out of the war, how will this bitter and demoralizing defeat affect the VC's widespread guerrilla infrastructure?

Again, one must wait and see. And may not the President start image-making once more, yielding a unilateral bombing halt after all, and thereby risking every gain already made? Yet again, one must wait and see.

[From the Washington (D.C.) Star, Feb. 2, 1967]

ASIANS FIND UNITED STATES THE MOST BAFFLING NATION

(By Crosby S. Noyes)

BANGKOK.—Americans schooled in the Kiplingesque tradition of the inscrutable Oriental may be surprised to discover that for a good many Asians we are the most baffling, illogical and generally exasperating people on earth.

They will tell you very frankly and a little sadly that we just don't make much sense. They have suspected it for some time. But if final proof were called for, the current American hand-wringing and soul-searching over Vietnam is providing it.

Here you are, they say, the most powerful nation in the world. For years now you have been telling us that American power is dedicated to the principle that people have a right to choose the kind of government they want. You have encouraged us to believe that the power of the United States supported those countries large and small who chose to defend their freedom.

In Vietnam, they criticize, we have always known that the future of Southeast Asia was at stake. We have always hoped and expected that the United States would live up to its promises to prevent the success of Communist aggression in the south. We have been impressed by your determination and your restraint. And we have helped you as much as we could.

We have always been sure that if you wished to, you would succeed in Vietnam. We have known that when you did succeed your prestige, not only in Asia but around the world, would be unrivaled.

And this is what we do not understand about Americans. Today, you have done what you said you would do and you are succeeding. And the more you succeed the more Americans there are who say you should never have made your commitment in Vietnam and some even who say that what happens in Asia is of no interest to the United States.

The people in Asia who talk this way are by no means simple-minded or naive.

Thanat Khoman, Thailand's brilliant foreign minister who speaks five languages and rates as one of the most effective operators on the diplomatic scene, returned recently from the United States alarmed and depressed by what he had heard there.

To Thanat and many others like him, it is utterly mystifying that Americans with pretentions to intellectual integrity and political awareness should be working actively at this point to frustrate the American effort in Vietnam and turn success into a disaster of incalculable proportions.

He is frankly dismayed by ponderous editorials in supposedly responsible newspapers advocating what amounts to a barely concealed surrender in Vietnam. He is disturbed by the spectacle of an administration besieged and bedeviled by members of its own party.

It is also hard to exaggerate the sheer offensiveness of some of the propositions advanced by this dissenting group.

Intelligent Asians are shocked by the sophistries of American intellectuals who argue that the defeat of free Asian nations is inevitable and that elementary human rights taken for granted in the West somehow do not apply in this part of the world. If the decisive sabotage of Western interests in Asia is the goal, this kind of perverse inverted racism is ideally adapted to the objective.

Nor is it very easy to convince our friends in Asia that this kind of thinking is limited to a small vociferous minority who do not speak for the American people and wield limited influence on the government. The currency given to the ideas of this minority rivals that of the administration itself. And even the continuing demonstration of American determination in Vietnam does not relieve a mounting anxiety over the state of mind in the United States.

At the very least we are suspected of a severe schizophrenia over the war in which moral and political values which most people believed to be firmly rooted in the American character have come badly unstuck. Given the existing realities, there is for Asians no other reasonable explanation for a loss of confidence at a time when success seems inevitable.

For Americans there may be some reassurance in the fact that this loss of confidence does not seem to be catching. Asia at this point is very definitely making book on an American victory in Vietnam. The events taking place there are transforming the politics and the calculations in an area where two-thirds of the human race lives. And perhaps it is only in the United States—and possibly in Peking and Hanoi—that a real question still persists over what the future holds.

APPOINTMENT OF AD HOC SUBCOMMITTEE ON HUMAN RIGHTS CONVENTIONS OFFERS SPARK OF HOPE

Mr. PROXMIRE. Mr. President, as I rise today—as I have during every session of the 90th Congress—to plead for Senate ratification of the conventions on political rights of women, forced labor, slavery, and genocide, I perceive the first real glimmer of hope for advocates of ratification.

The first Legislative Calender of the Senate Committee on Foreign Relations became available yesterday. On page 4 of that calendar is announced the creation of an ad hoc subcommittee to consider the human rights conventions. This subcommittee, to be chaired by the senior Senator from Connecticut [Mr. DODD] and having as its members the senior Senator from Pennsylvania [Mr. CLARK], the Senator from Rhode Island [Mr. PELL], the senior Senator from Iowa [Mr. HICKENLOOPER], and the senior Senator from Kentucky [Mr. COOPER], was appointed by the distinguished chairman of the committee, Senator FULBRIGHT, on January 18, 1967.

The subcommittee will consider the human rights conventions on forced labor, slavery, and political rights of women. I am encouraged greatly by the creation of this subcommittee. It is my hope that these five able and energetic men will move quickly to consider and report these three conventions to the full committee and on to the Senate for the overwhelming ratification they deserve.

However, even this generally encouraging development leaves the senior Senator from Wisconsin disappointed and dissatisfied. The United Nations Convention on Genocide, already ratified by close to 70 nations, still languishes in some uncharted limbo.

I earnestly request the chairman to submit the Convention on Genocide to this ad hoc subcommittee for consideration. Justice and logic insist that the conventions on political rights of women, slavery, forced labor, and genocide be considered and reported together. While the first three conventions guarantee fundamental and irrevocable rights, I am sure that every reasonable man would assert that the right guaranteed by the convention on genocide—the right to live—should be granted at the very least equality, if not priority, with these other rights.

I am encouraged by this action of the Foreign Relations Committee. However, I will persevere until the Senate goes on record by ratification of these four conventions—the political rights of women, slavery, forced labor, and genocide.

THE FARM PARITY RATIO

Mr. MONTOYA. Mr. President, it has come to my attention that a small group of critics are telling the American farmer that his parity ratio declined 2 points to 75 last month. These critics speak yearningly of the days when, they claim, parity averaged 84.5 percent.

Let me take this opportunity to mention that the adjusted parity ratio which reflects Government payments averaged 86 for the year 1966.

The decline in average prices received by farmers during the last several months combined with an increase in the parity index—prices paid by farmers for commodities and services, including interest, taxes, and farm wage rates—dropped the parity ratio to 75 in January, as compared with 80 in January of last year.

It is important that farmers get fair prices for their products, but in terms of the economic well-being of farmers, it is also of great importance that they get adequate incomes. In particular, the objective is higher net income—what the farmer has left for family living after production expenses have been met out of his gross income.

Prices enter the farm income picture, but so does the volume of commodities marketed, the level of production expenses, and, for some commodities such as wheat, feed grains, and cotton, the size of Government payments.

Just to put the price goal in perspective, let us look at 1959 when farm prices averaged 82 percent of parity and at 1965 when parity ratio, adjusted for Government payments, also averaged 82 percent.

Despite the fact that the parity ratios were the same, farm income in 1965 showed a great improvement over 1959. Realized gross income was up 18 percent due in large part to a greater volume of farm marketings. Total realized net income was up 24 percent—almost $3 billion—and realized net income per farm was 50 percent higher.

Net farm income last year exceeded the 1965 figure by $2 billion. At $16.3 billion, it was nearly 40 percent greater than in the last of the Eisenhower years. Realized net income per farm in 1966 topped $5,000 for the first time in history; this compared with less than $3,000 per farm in 1960. Gross farm income,

which set a record, was nearly one-third greater than in 1960.

It is critically important to prevent drastic declines in prices received by farmers, but it is even more important that the income of the farm population—which on a per capita basis has been averaging only about 65 percent of the income of nonfarm people, even in the relatively good year of 1966—be raised to comparable levels. The parity ratio is one indicator of the condition of agriculture, but it can be extremely misleading to regard it as the principal guidepost for measuring changes in the economic condition of American agriculture.

SECOND ANNUAL CONFERENCE ON WATER RESOURCES RESEARCH

Mr. McGOVERN. Mr. President, on January 18 the distinguished senior Senator from New Mexico [Mr. ANDERSON] brought to the attention of the Senate the notable accomplishments being made through the program authorized by the Water Resources Research Act of 1964. His remarks on pages S491–S495 of the RECORD summarize the excellent progress that has been made in the brief 2 years the program has been in operation, and commend the Secretary of the Interior and the officials of the Office of Water Resources Research for vigorous and intelligent administration of this new, complex, and very important undertaking.

I associate myself with the Senator's remarks and with his commendation of the Interior Department officials responsible for this program. But, with his customary modesty, the Senator [Mr. ANDERSON] refrained from mentioning that he himself is author of the legislation that created this program, and that his counsel and advice have been a major factor in guiding its sound and effective development.

I wish, therefore, to supplement the remarks of the senior Senator from New Mexico by noting that he has been responsible for formulating the concept of the program and its authorizing legislation, and for enunciating the principles that guide its development. In each of the 50 States there already have been significant accomplishments under the Water Resources Research Act, and these will become even more significant in the years ahead. For this, each of us is indebted to the practical vision of Senator ANDERSON.

Mr. President, every section of the Nation is troubled by water problems—droughts, floods, deteriorating water quality, and problems in many other forms. We recognize how true was the finding of the Select Committee on National Water Resources that water problems can limit the growth and prosperity of major portions of the Nation, and the welfare of its people. Fortunately, however, there is great scientific and engineering competence in the Nation, and this can be brought to bear in finding solutions to water problems. Widespread and complex as are water resources problems, we can be confident that they will be overcome because we now have the means through the Anderson Act to mobilize the Nation's brainpower for their solution.

An example of this was the recent second annual Conference on Water Resources Research convened under authority of the Anderson Act. On January 24 and 25, over 100 of the Nation's leading water scientists and engineers met to formulate specific research attacks on major water problems research that will point the way to their solution. Those in attendance came from Government agencies, from universities, and from industry. It was a real mobilization of brainpower, and it will surely lead to significant advances. It is gratifying to note that the importance of this meeting and its promise for effective progress was recognized by President Johnson who always has been highly knowledgeable about the water needs of the Nation. Regarding the Conference on Water Resources Research, President Johnson wrote to Secretary Udall as follows:

THE WHITE HOUSE,
Washington, January 23, 1967.

Hon. STEWART L. UDALL,
Secretary of the Interior,
Washington, D.C.

DEAR MR. SECRETARY: A strong, well-planned program of water resources research is a national necessity. To improve the effectiveness of the program authorized by the Water Resources Research Act of 1964, as amended last spring, is an objective that is vital to all of us.

Already the research authorized under this Act has yielded important results. These results, in turn, have pointed to promising new lines of inquiry.

Only through the cooperative efforts of universities, private research institutions, business, and government at all levels can we insure a sufficient supply of water, both in quantity and quality, to meet the needs of America.

I want to thank all of you who are meeting here this week for the time and interest you are giving to the solution of this national problem.

And I wish you every success in this important work.

Sincerely,

LYNDON B. JOHNSON.

Mr. President, the technical discussions of the conference, I am informed, will be included in proceedings that will be distributed to scientists and engineers who may be concerned with water resources. One outstanding paper, however, was not by a technical man. It was the keynote address to the conference by Secretary of the Interior Stewart L. Udall. The Secretary's remarks are in layman's language and are comprehensible to those who may not be trained as scientists or engineers. His address conveys a deep understanding of the nature of water problems, their effect on the economy and on the environment, and the role of research in finding ways to overcome existing problems as well as to avoid creation of future ones. Mr. President, I ask unanimous consent to include at the end of my remarks the address of the Secretary of the Interior to the second annual Conference on Water Resources Research.

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

ADDRESS BY SECRETARY OF THE INTERIOR, STEWART L. UDALL AT SECOND ANNUAL CONFERENCE ON WATER RESOURCES RESEARCH, WASHINGTON, D.C., JANUARY 24, 1967

I consider our being here this morning as one more hopeful link in the chain reaction against pollution—a chain reaction which is helping enormously to power the conservation movement today.

This is a chain we do not want to break. Unlike those earlier "prisoners of starvation" who were exhorted to arise and lose their chains, we prisoners of pollution are determined to keep forging this chain. It is a chain of life.

As a new Congress begins here in Washington, the weather reports from Capitol Hill dominate the news. The winds up there may shift direction, they may switch from hot to cold on some matters, but I detect no wavering of Congressional determination to deal with our national water problems and with the overall pollution situation.

These are two areas of concern which cannot be fenced off into geographical packages. They cannot be compartmentalized into this or that level of governmental competence. And neither are they the purview of a single political party. Both sides of the Congressional aisles are full of aspiring Mr. Cleans, vying for the whitest hats and the fullest canteens.

Being pro-water and anti-pollution is today's political equivalent to being for mother and against sin. I foresee no agonizing reappraisals for water research.

My message to you today concerns two signs of the times—both of them hopeful and both of them appearing more and more robust. One is the surge of public concern about the environment. The other is the interdisciplinary cooperation being applied to correct environmental abuses.

Since both are very important factors in your work, I would like to consider them separately this morning, and in some depth.

First, the public concern. This gigantic "plus" which has been missing in the past might be described as an emerging public attitude of care-fulness. Gone, in almost every instance, is the old "let the public be damned" attitude with regard to industrial pollution of our water. Today's businessman, industrialist, city council member, is responsive to the public anxiety over what is happening to our environment—especially to our water.

He is eager to do the right thing, but he needs to know what that thing is. Too often we lack the answers to match his willingness.

The problem of sufficient clean water for a growing population is not a simple one. Solutions vary with the geographical location and the conditions surrounding the problem. It is in this area that your research takes on added importance. Specific research, carried on in specific areas with special problems, will lead to specific solutions. Those working on the spot, in the problem arena, are in a position to know—the history of the swamp, or the slough, or the waterway involved. You can pinpoint the types of wastes dumped into it. You can isolate the particular poison—paint the profile of pollution as it is occurring in your one area.

In this way, you can provide the guidance to suit a particular set of circumstances. The managerial person in your area who is filled with a vague and commendable desire to "do the right thing" is thus given a meaningful course.

A. J. VonFrank of Allied Chemical Corporation, speaking to one of our most effective clean water lobbies—the League of Women Voters—described the dilemma of a hypothetical plant manager. This well meaning man finds himself at the wrong end of an accusing finger, pointed by an irate citizenry.

The irritant is polluted water, but the plant manager cannot pinpoint the nature of the accusation.

He has kept his plant's waste effluents "pretty clean" because he "didn't want any nuisance complaints or any kids getting hurt." His particular talent is "coping with problems," and so, in exercise of this talent, he starts looking for the answers to this water pollution problem in which he has become involved.

With a combination of goodwill and naivete, he asks for "the" answers and he finds that industrial waste problems could be any of the following:

The oxygen demands of his wastes (and these were of three kinds), acidity or alkalinity, suspended solids, settleable solids, color, components that gave taste or odor, separable oils, foamers such as the alkyl benzene sulfonates, temperature, turbidity, dissolved salts of heavy metals, nitrates, phosphates, chlorides, fluorides, sulfides, cyanides, phenols and coliform bacteria, Danny Kaye or Tom Lehrer could make a comic song out of this list, but to the anxious plant manager it is definitely no joke.

It is evident that if we are going to make useful strides toward increasing our usable water supply by plugging the pollution drain, then we must begin to talk specifics. We cannot wrap the problem in one big pollution bundle and hand it to the polluters to deal with.

We have to help them define and delineate each particular problem and point the way toward a solution.

With the public well aroused and the private conscience responding, we still have to supply the route to quality. We have no overall gadget that can be plugged in to the Nation's environment, like a garbage disposal unit, and turned on by any one switch in our economy to do the job.

But we *are* beginning to perceive and to deal with the enormously intricate problem which water presents. Title II of the Water Resources Research Act, as modified on April 19, 1966, may come closer to this overall Disposal than anything yet conceived. It constitutes what may be the boldest act ever pased for any single resource. Title II opens up access to the full scientific competence of the Nation, and this brings me to the second great advance we have going for us in this effort—the interdisciplinary approach.

In order to relate this approach specifically to the water problems which concern us here today, I should like to go back in conservation history to the roots of the term "ecology."

Each new wave of conservation has its stirrings in a past which bore another label. In the case of our current, gathering wave of ecology we must go back to the regulatory phase of conservation and pick up Gifford Pinchot—Theodore Roosevelt's chief forester and one of the great conservationists.

It is said he was riding through Rock Creek Park, pondering the fate of the Nation's forest resources, when, in his own words, "suddenly the idea flashed through my head that there was a unity in this complication—that the relation of one resource to another was not the end of the story. Here were no longer a lot of independent and often antagonistic questions, each on its own separate little island, as we have been in the habit of thinking. In place of them, here was one single question with many parts. Seen in this new light, all of these separate questions fitted into and made up the one great central problem of the use of the earth for the good of man."

Today this flash of insight has assumed a name—the ecological approach—and the idea has filtered into the public mind. It is no longer a solitary revelation in the mind of a prophet. It is a guidepost to our best conservation efforts.

We see this integrated approach everywhere we look, and its application in the field of water resources is one of its most promising.

Less than a month ago, the American Association for the Advancement of Science held its annual meeting here in the District of Columbia. The cross-disciplinary nature of these meetings is science's answer to the deadends of specialization as a method of dealing with today's complicated problems.

Lynn White, Jr., of UCLA, adressing the convention on The Historical Roots of Our Ecologic Crises, decried the negative stage of problem solving which we are trying to outgrow. Said White:

"There are many calls to action, but specific proposals, however worthy as individual items, seem too partial, palliative, negative: Ban the bomb, tear down the billboards, give the Hindus contraceptives and tell them to eat their sacred cows.

"The simplest solution to any suspect change," he continued, "is, of course, to stop it."

So here we stand, on the brink of a national water crisis, and all we have to do is "stop it."

What we are faced with is not just an exchange of ideas and a melding of approaches within the scientific community, but a truly cross-disciplinary effort—right across the various layers that make up our daily life. The 1966 Annual Report of Resources for the Future states:

"In recent years research in problems of water use and management has been distinguished by a growing emphasis on interdisciplinary cooperation. Engineers, hydrologists, economists, and political scientists have worked together to find solutions to some of the complex water problems that plague municipalities, industrial and agricultural areas and flood plains."

It seems to me that this paragraph sums up, in essence, the variety of problems we face and a most hopeful recognition of the need for a broadening of the search for solutions. Our plethora of water problems cannot be solved in only a test tube—or a bathtub—or a canal or a reservoir. We will have to tackle them also on the accounting sheet and in the city council chambers and around the industrial conference board table—and at the ballot box and the kitchen tap and the water meter. We will wrestle with clouds and with clods before we find the answers, and even as we find them, new problems will be queueing up for attention.

But we have taken a big step by lifting our heads and looking beyond the bounds of our piecemeal problems—at the many factors which make up the overall problem and the many forces which will have to be brought to bear if we are to find acceptable solutions.

We are attempting, at Interior, to suit our action to this new realization. Just one week ago today I announced the establishment of an Office of Ecology within my Department.

Within this Department must be made a majority of our national decisions which concern the enormous and often competing demands on our resources. It will be the function of this Office of Ecology to see that these decisions are made with all the various factors given relative weights. We expect the Office of Ecology to provide the kind of across-the-grain look at both problems and solutions about which I've been talking.

The historic report of the Senate Select Committee on National Water Resources was framed in terms of this total picture approach. It recommended that the Federal Government cooperate with the States in up-to-date plans for comprehensive water development and management for all major rivers basins of the United States. This is scheduled for completion in the early 1970's.

The Committee recommended that the Federal Government stimulate more active participation by the States in planning and undertaking water development and management activities by setting up a 10-year program of grants to the States for water resource planning. Title III of the Water Resources Planning Act authorizes this program and initial planning grants have been made to 6 States. More than 40 probably will apply for grants in fiscal year 1967.

In a similar manner, most of the major recommendations of the Select Committee have been partially or fully carried out.

The overall effect on our Nation's water policy has been profound.

But what of the future?

What are the emerging problems that should be given similar study?

One of the high-priority areas, of course, is research on all the different aspects of water quality. Here, the States have undertaken through their quality standards a leading role in pollution control and water quality improvement. Research must be adequate to meet the requirements of this role at the State level as well as to guide regional and Federal activities.

The States are in a unique position in relation to legal and institutional arrangements with regard to water use. They are in a position to take leadership in improving our water management institutions for more efficient water resource management.

All these efforts are beginning to show an inter action—an "other-awareness" which bids fair for our ultimate success.

The scientific arm of our effort, as represented in the research we consider here today, has never been better muscled. Title II gives us access to additional brains and backing. Experience has given us insights and direction. Judgment directs us to take into consideration factors outside the test tube which are vital to successful applications of our laboratory findings.

We have the prudent warnings of such men as Dr. Raymond Nace, research hydrologist, from Geological Survey and a man who has been called the father of the International Hydrological Decade. Says Nace:

"Nature is neither friendly nor inimical. She is merely implacable. We had best come to terms with her."

And we have the spurs provided by others, like Walter Orr Roberts, director of the National Center for Atmospheric Research in Boulder, Colorado. His recent words to the American Association for the Advancement of Science might well serve as prologue for your own research efforts:

"Science, like music or fine art, is a wellspring of the divine discontent that stirs man to seek more of life than merely to eat and to sleep, and that discontent is flamed higher by the partner of science, advancing technology, through which we can realistically contemplate the practical achievement of the highest of ideals for the condition of man."

And too, we have both the leadership and the backing of a President who understands and who cares. Lyndon Johnson has spoken of "new enemies" which are the products of the modern world.

"In many ways," he said, "they are the dark side of the bright achievements which have helped us to grow and prosper . . . The technology which has given us everything from the computer to the teleprompter has created a hundred sources of blight. Poisons and chemicals pollute our air and our water."

And then he added:

"We need new weapons to fight these enemies."

And that is what we are asking of you assembled here this morning. You are the elite before whom the glove is thrown. What we ask of you is not fancier hardware, not frillier technology, not an embroidery of some already known principle.

We need *new ways*. We need real *discoveries*. We need men and women who will *think in different categories*, so that your research will follow unexplored paths and furnish brand new basics. We need your help both on the specific problems in your own areas; and in integrating these answers in overall solutions.

You have an eager and attentive audience. The polluters are looking for ways to abate their myriad messes. The public is ready to underwrite the cost when ways are found. There is an army of technicians—of engineers—incapable of basic research but qualified and competent to tool up your findings and put them to work.

We salute your efforts. We applaud your goals. We await your successes.

SERMON BY JOHN H. SHARON COMMEMORATING CONVENING OF 90TH CONGRESS

Mr. MONRONEY. Mr. President, I ask unanimous consent to have printed in the RECORD a sermon delivered recently at the All Souls Memorial Episcopal Church by John H. Sharon, an outstanding young lawyer and lay leader in the church, commemorating the convening of the 90th Congress.

The sermon was very thought provoking and timely. I recommend that every Member of the Senate take the time to read it during these opening weeks of the new Congress.

The service was well attended; and I might mention that one of our colleagues, the distinguished senior Senator from Kentucky [Mr. COOPER], read the lesson.

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

PUT YOUR TRUST IN GOD—IN COMMEMORATION OF THE CONVENING OF THE 90TH CONGRESS

(By John H. Sharon)

INTRODUCTION OF JOHN H. SHARON BY REV. FRANK BLACKWELDER

Our preacher this morning is Mr. John Sharon. He has been the Lay Reader here at All Souls for 14 years and has served our Vestry for the past five years.

When Mr. Sharon graduated from Princeton he was voted by his class as "the man most likely to succeed" which proves what a prophetic class it was.

Mr. Sharon was an advisor to the late Ambassador Adlai Stevenson and the late President Kennedy. But his role in life has not been limited to advisory capacities. He is a diligent laborer in the vineyard of the Lord.

The success of this special service is largely due to his gallant efforts and I know we are all looking forward to hearing his message this morning.

SERMON PRAYER

O Heavenly Father, *Help* us, we beseech thee, to keep by word and deed, the faith of our Fathers as a true and holy faith;

And may the light from the Epiphany Star, so *guide* us, that the motivations of our souls the meditations of our hearts, the intentions of our minds, the words of our mouths may be always acceptable in Thy sight.

Through Jesus Christ our Lord. Amen.

Reverend Blackwelder, Senator Cooper, members of the choir, and friends.

I was deeply touched by our Rector's generous introduction. He reminded me, however, of that Member of Congress who was sworn in last Tuesday to his first term of office. The next morning he was reading about the glorious events of the preceding day and he turned to his wife and asked her, "Dear, do you know how many truly great statesmen there are here in the City of Washington?" His wife paused for a moment and said, "No, I don't; but I *do* know that there is one less than you think there are."

So, I fear that there is one layman here this morning who is less important than our Rector thinks he is. When I think of the men who have graced this pulpit with such wisdom and dignity, it makes a layman like myself very humble indeed to accept our Rector's invitation and our Bishop's blessing to be with you this morning. And I want each of you to know that my heart is full of humility and gratitude.

As I was preparing this brief message, my thoughts went back to some of those who preceded me here. I thought of our own Rectors Frank Blackwelder and Marvin Webster; of our own Bishops William Creighton and Paul Moore; I thought of the late Dr. Samuel Sterrett, our Rector here for over 30 years; I thought of Dr. Edward Bauman; Dr. Lowell Ditzen; and, of course, our late and beloved friend, Dr. Joseph Sizoo.

As many of you know, for thirteen years our Rector and I were honored in this house of God to share our Thanksgiving Day Service with this great man. How much we all looked forward to those thankful days. For when Dr. Sizoo preached, you knew you were in the presence of God, for his message never failed to reach your heart or touch your soul.

Those Thanksgiving Day Services—particularly the last three—had a very special meaning and purpose for me. Four years ago, Dr. Sizoo and I had heart attacks at the same time. And after we had recovered, we would foregather in our Rector's study before and after those last Thanksgiving Day Services. We shared our concern for each other; we laughed about our fears and joked about our doubts; we talked about what a great event this had been in both of our lives; how grateful we were to have had a second chance at life when so many millions of our fellowmen never get a first chance. We talked about a sermon we agreed jointly to author; the title of which Dr. Sizoo suggested, "Thank *God* for a Coronary." Well, as happens in the swift current of our daily lives, we never finished that sermon; but someday soon in Dr. Sizoo's honor and memory, I will complete it. So perhaps this will not be the last time some of you will have to be exposed to my views.

But the last time Dr. Sizoo and I talked, there was one wish that Dr. Sizoo had which he confided to me and which I want to share with you this morning. He said to me, "When it comes my time to go, I hope it will be *after* I have preached a sermon and *touched* a soul."

Last summer, a few minutes after he had preached one of his greatest sermons, Dr. Sizoo departed this life. May I briefly share with you the final sentences of his last words to us:

"When life get you down, when hope no longer sees the stars, and love no longer hears the rustling of the leaves, when it's touch and go, when doubt lays a stranglehold on you, God stands in the shadows by your side.

"We must go home, we must go home again,
Our rainy faces pelted in the dust
Creep back from the vain quest of endless strife
To find not anywhere in all of life
A greater happiness that blest us there.
We must go home, we must go home again."

Dr. Sizoo has gone home. God granted his wish, for he never failed to "touch a soul." And how we miss him. But as we read and reread his many books and teachings, we cannot help but be strengthened by his ministry. We cannot help but feel grateful that we lived in his generation to be inspired by his message and his truth. Here was a man whose death was truly a victory and not a defeat, a joy and not a sorrow, a gain and not a loss.

I believe with all my heart that the secret to Dr. Sizoo's successful ministry was a simple creed, "He put his trust in God." And from that deep and abiding faith, he acquired that rare gift to reach out and "touch a soul." How many of us can truly say that "*We* put our trust in God." Ask *your*self—let's ask *our*selves here this morning—When the going gets tough, when the stars above have fallen on your shoulders, when frustration has engulfed you, when fear consumes you, when worry and anxiety overwhelm you, when political polls begin to terrify you, when all of the burdens of life depress you, "when doubt lays a stranglehold on you," do you put your trust in God?

In this morning's scripture, Matthew speaks of Jesus' entry into Jerusalem. He speaks of Jesus' overturning the tables of the money changers, how the blind and lame came to the temple and Jesus healed them, how Jesus destroyed the barren fig tree, how his *own* disciples not only marveled but were bewildered by Jesus' power. And when he was questioned by them, Jesus replied ever so simply: "If you have faith and never doubt, *you* will not only do what has been done to the fig tree, but even if you say to this mountain, 'Be taken up and cast into the sea,' it will be done. And whatever you ask in prayer, you will receive, *if* you have faith."

"Whatever you ask in prayer, you will receive, if you have faith."

Put your trust in God.

Recently I met an old friend I had not seen in twenty years, she is a remarkable woman. Intelligent, sensitive, successful mother, loyal and devoted wife; but I was startled to find her in a state of deep depression. She was groping for something, but she did not know what it was. She was seeking something she could not find. She was hoping for a peace she said she knew she could never attain. When I asked her if she believed in God, she said, "no." So I asked her to take a test. She said she would. I asked that for every conscious minute, of every day for one week, repeat over and over to herself, "I don't believe in God. I don't believe in God." She said she couldn't do it, and when I told her she had passed the test, she asked this question: "But where is God, what does He look like, how do I find Him?" I thought for a minute. And then I was reminded of a little handmade sign I once saw hanging in an electrician's repair shop. That sign said, "When all else fails, try reading the instructions."

"Try reading the instructions."

Put your trust in God.
Trust Him with your thoughts
Trust Him with your doubts
Trust Him with your fears
Trust Him with your pride
Trust Him with your shame
Trust Him with your love
Trust Him with your hate
Trust Him with the bad
Trust Him with the good
Trust Him with the truth
Trust Him with the small decisions as well as the big
Trust Him with your prayers.

"And whatever you ask in prayer, you will receive, if you have faith."

Put your trust in God.

There was a six-year-old girl who was such a devout Christian. She believed so deeply in God; she said her prayers every night without fail; she asked her parents penetrating questions about Jesus, about God, about where He was and where did He come from. She attended Sunday School religiously. And then, like every child, she did something very wrong. Her father punished her and sent her to her room. About an hour later, she opened her bedroom door and came down the stairs, tears streaming down her cheeks, and went up to her father and asked such a

wonderful little question: "Daddy, will God punish me too?"

That child of six is now a young lady of 8½, and she together with her family and friends have graced us with their presence here this morning. May I repeat to you what her father told her at the time:

"So long as *you* know in your heart that what you have done or said or thought is wrong, God will not punish you again. For *your* God—*our* God: Is a God of Love, not of Hate. A God of Hope, not of Fear. A God of Joy, not of Sadness.

"Whatever you ask in prayer, you will receive, If you have faith."

Put your trust in God.

We all know we live in an age of ferment; an age of tension and turmoil; of doubt and dissent; of unrest and uncertainty. Some of us want to escape from everything; to run away; others want to be different, but different in the strangest types of ways.

And what are some of the slogans we hear?

"God is dead."

"Let money be our God."

"Make love, not war."

"Impeach Earl Warren."

"Black Power is to reign."

"Conspiracy killed Kennedy."

"LBJ, LBJ, how many men have you killed today?"

My God, have we lost sight of the meaning and purpose of life? Have we lost sight of why God put us on this blessed earth? Are we to face the future armed only with nonsensical slogans of the present and the past? No, let us not despair:

For we have dedicated ourselves and our nation, under God, to being free. God put us here to bring love and peace and truth into the hearts and souls of our fellowman; to enhance man's worth and his dignity through the love of God and the teachings of Jesus Christ.

No, let us not despair; let us put our trust in God. But let us each remember that all failure—failure between nations and men—can be traced to the failure of communication, and that *prayer* is the only means you and I have of communicating with God.

"Whatever you ask in prayer, you will receive, if you have faith."

For the *last* 25 years we *had* faith; faith that nations could agree that outer space could be limited to peaceful and non-military purposes. *That* faith bore fruit.

And while it may seem ironical that 1,967 years following the birth of Christ, man can agree to be at peace with his fellowman out there in the Heavens, but cannot yet agree how to achieve that peace here on earth, this is progress. In faith there is always hope.

So if there are those amongst us—and there are many—who have doubts, let those doubts, in the sight of God, be *honest* ones.

If there are those amongst us whose criticisms must be heard, let those criticisms, in God's sight, be *constructive*.

And if there are those amongst us whose dissents must be recorded, let those dissents, in God's sight, be *positive*, not negative.

Soon enough the time will come for each of us in this house of God to face his Maker: "We must go home, we must go home again," and however *short* life's road may be for each of us, let us remember that We walk not alone; God is there to lead us, to guide us, to comfort us, to heal us, to love us.

Put your trust in Him.

And as we journey down life's final road, always remember:

"What a mighty fortress *is* our God,
A bulwark never failing;

"The Spirit and the gifts are ours
Through Him who with us sideth;
Let goods and kindred go,
This mortal life also;
The body they may kill:
God's truth abideth still,
His Kingdom is forever."

Let us pray.

FINAL PRAYER

O eternal God, grant us, we beseech thee, the wisdom and the strength to know and to do Thy will.

Fill our hearts with the knowledge that what we hear preached on *any* Sunday is less important than what we *do*, in Thy sight, on *every* Monday.

Help us, we beseech thee, to put our trust in thee.

Grant us, we beseech thee, *Thy* trust, Thy love, Thy truth, Thy peace.

Teach us to be gentle; help us to be merciful; guide us to be faithful; and make us ever mindful, in Thy sight, that there will always be greater and lesser men than ourselves.

This we beg in the name of our Lord, Jesus Christ, our only Advocate and Redeemer. Amen.

BENEDICTION

Now, let us go forth in peace, be of good cheer, render to no man evil for evil, but contrariwise blessing.

Let us comfort the anxious, visit the sick, give to the poor, keep and practice our faith.

Do justly, love mercy, walk humbly with our God.

And may the Blessings of God the Father, God the Son, and God the Holy Ghost be with us and remain with us always. Amen.

FOOD FOR INDIA

Mr. BURDICK. Mr. President, I am especially pleased that President Johnson asked Congress to endorse his proposed Indian food program within the context of the worldwide attack on hunger and malnutrition. The grim fact is that notwithstanding the 160 million tons of U.S. farm commodities we have shipped overseas under food for peace, the less-developed nations of the world are slowly losing the ability to feed themselves. This despite the fact that 60 to 80 percent of their people—70 percent in India—work the land for a living. Last year the less-developed nations of Asia, Africa, and Latin America had to import 31 million tons of grain from the United States and other developed countries. That is nearly twice the amount that America's 195 million people consume in wheat in an entire year. The President's Indian program calls for an additional 5 million tons of wheat, with 2 million to be an immediate allocation.

Behind today's food-population crisis, of course, is the fact that modest increases in food production in Asia, Africa, and Latin America have not kept pace with dramatic increases in life expectancy as the postwar period has brought the benefits of modern public health—in particular relief from malaria and other killer diseases.

The tragic irony today is that to feed its growing numbers, the world must run fast just to stand still. If diets get no better, if nutritional levels are not raised, an estimated 10 million people, mostly children, will continue to die every day from the effects of malnutrition. Beyond attacking raw hunger, beyond helping hungry nations maintain the quantity of food consumed, we must help them improve the quality. I was also pleased to see that President Johnson saw fit in his message Thursday to authorize a special $25 million in high protein foods for our great voluntary relief agencies in India to distribute in regions hardest hit by the current drought. To enrich the lives of their people, the hungry nations must enrich the diets. It is that simple. If the war on hunger were to be waged only for the purpose of keeping people alive, the best possible outcome would be stalemate. A stalemate hardly consistent with our great humanitarian goal of assuring every person the energy and opportunity he needs for self-fulfillment.

THE SPACE TREATY—A STEP TOWARD PEACE

Mr. WILLIAMS of New Jersey. Mr. President, our Nation's newspapers, which offer a measure of public opinion, seem almost unanimous in their advocacy of an early ratification of the treaty to immunize outer space to nuclear warfare. Some may argue that this is peripheral to the problem of arms control; yet I see it as a small step toward the enduring peace on earth which has always been man's vision. As has often been said, a journey of a thousand miles can only begin with a small step. The Nation's hunger for peace is too great, the consequences of war are too terrifying, for us to hesitate to encourage every move that is clearly in the right direction. As a small sample of editorial opinion on this subject, I ask unanimous consent that the editorials of the Newark Evening News of January 30 and the New Orleans States-Item of January 30 be printed in the RECORD.

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

[From the Newark Evening News, Jan. 30, 1967]

PEACE IN SPACE

Representatives of 62 nations have approved a treaty calculated to immunize outer space from much of the strife that besets man on earth.

Under the compact's terms, a root cause of war hopefully will be eliminated by removing competition for sovereignty over the stars and planets. The moon, Mars, Venus and beyond would belong to all. Their use would be restricted to peaceful purposes by a codicil banning nuclear weapons, military outposts and any instrument of destruction in outer space. If, a million years ago, man had similar foresight in regard to earth, his descendants might now be inhabiting a happier place.

The number of signatories to the space treaty will grow, as did those of the nuclear test ban treaty, which originated in the summer of 1963 with 17 sponsors and now has the support of 109 nations. Unfortunately, unless present events are more cataclysmic than anyone in authority dares believe, Red China is not likely to become a party to either. France also may stay out, along with minor demurrers like Albania, North Korea, North Vietnam and Cuba.

Their defection undoubtedly magnifies suspicion and complicates compliance. Fortunately, in the realm of space exploration, the United States and the Soviet Union command such a lead, while possessing the capability of total surveillance, that the depredations of any nation cannot go undetected or escape immediate countermeasures.

Self-interest therefore need not be compromised by joining this latest venture in international cooperation. Senate ratification should be forthcoming. For the long-range interests of all nations can be served if mankind can proceed into outer space free

of some of the blights that have plagued us on earth.

[From the New Orleans States-Item Jan. 30, 1967]

N-BAN TREATY SIGNING

Progress among nations more often is made in small steps rather than giant strides. So infinitesimal, in fact, does this progress often seem at the moment that in many cases it can be seen only from the perspective afforded by the passage of time.

Such is the case, it seems to us, of the treaty signed last week by the United States and the Soviet Union banning the use of nuclear weapons in outer space, signed, paradoxically, at a time when the two nations are engaged *indirectly* in war in Vietnam.

The signing, of course, was only a formality since the two nations had agreed on the treaty last year and the United Nations General Assembly, without a dissenting vote, had approved it.

Many other nations, including Great Britain, also have signed it.

Admittedly, this may be small progress. Fundamental issues still divide the two greatest powers on earth. But it is, we believe, progress nonetheless.

The agreement on the peaceful use of outer space fits into the so-called Convergence Theory which currently is being used to describe relations between the United States and the Soviet Union.

For many observers now see the two major powers cooperating wherever their interests "converge," while still remaining, at least nominally, enemies.

Keeping outer space free of nuclear weapons seems to have been such a case of mutual interest.

PROBLEMS TO BE FACED BY DEPARTMENT OF TRANSPORTATION

Mr. PEARSON. Mr. President, the new Department of Transportation will soon commence its first moves as a full-grown Government agency and is destined to become one of the most important agencies in our governmental structure.

In this regard, Harry L. Tennant, Washington editor of Modern Railroads magazine, prepared an article for the January issue of that magazine which looks at some of the problems to be faced by the new Secretary of the Department of Transportation, Alan S. Boyd.

I have discussed several of these issues with Secretary Boyd and find him to be a most capable and informed person regarding transportation. Freight cars and their continuing shortages plague my area of the Nation from time to time, and Secretary Boyd has promised to look into this matter as soon as is practicable within the limits of his Department's organizational structure.

The article touches on many of the controversial issues which the Department of Transportation will face in coming months and notes that the Secretary has the fortitude to meet these issues directly.

I recommend this article for reading and ask unanimous consent that the material be printed in the RECORD.

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

DOT WILL CHANGE THE WASHINGTON PICTURE

(By Harry L. Tennant)

Under the spirited leadership of Alan Boyd, the new Department of Transportation is sure to be a dynamic force leading toward more rational transport policies.

Alan Stephenson Boyd, newly named to head the freshly created Department of Transportation, will probably face more complex issues and pressures than any cabinet member in the Twentieth Century except the Defense and State Department secretaries. From all sides will come an avalanche of old and new problems. Although conceding that he has no ready-made solutions for most of them, Mr. Boyd thinks the 400 top administrators among the 90,000-employee agency (fifth largest in the government) can begin untangling some of these problems within a year.

The new secretary, in fact, has his agenda pretty well catalogued for the first few months of operation. He has no reservations about the obstacles his new department faces in a Congress somewhat altered from those in 1960 and 1964 when he began sailing politically high. But Mr. Boyd is a political realist and, at 44 years, a spirited administrator. This has been proved dozens of times in Washington—most recently when as Under Secretary of Commerce for Transportation he remained adamant in his stand supporting increased toll charges on the St. Lawrence Seaway. And his ability was obvious during the hearings before Congress when creation of the new department was under study.

One point seems to be a foregone conclusion. Secretary Boyd proved while engineering DOT through Congress that he is determined to make the new department a dynamic one—not just another huge, relatively passive agency. Among other things, Mr. Boyd says DOT will be a "selling" department and he has set forth some rather courageous guidelines for each transport area. Some of these he spelled out in part at the recent U.S. Chamber of Commerce one-day symposium. Of railroads, he said, "It is obvious that the railroad system in this country has been put in a back seat for too long a time for any number of reasons."

DOT, as outlined by Mr. Boyd, will be concerned with getting across the thesis that "we are citizens first and operators and shippers second." He believes that such an accomplishment will lay the groundwork for improving the entire U.S. transportation system.

Earmarked for priority attention among a series of sizzling issues is the question of public investment in transportation. The new secretary believes this will be the area of DOT's primary interest except for safety aspects. The federal government is heavily involved in the subsidizing of capital facilities of the transportation system, particularly with respect to truck and barge right-of-ways and airline terminals. If projections of future demand for transportation services of all the modes prove at all accurate, a major strain will be placed on the transportation system and on the funds required for expanding the capital plant. He says the new department will attempt to develop rational ways and means for determining how the limited funds available can be most efficiently expended.

The new secretary will not have to wait long for railroad reaction because the carriers are tailoring their 1967 legislative agenda to persuade Congress they should be brought back into the 7 percent investment credit fold. Just how Mr. Boyd will approach this heated issue is not known, because President Johnson's economists recommended—and Congress approved—the suspension for a 16-month period. In addition, Mr. Johnson himself is reported to have privately lashed out at the railroad industry because of its activities in this connection.

Mr. Boyd says his new department will work closely with those with which it will deal. He has singled out education and research as high on the list of tools he will use. In other words, he wants the public to think about the transportation system and not just the irritations stemming from noise, air pollution and inability to find a parking place. He believes that the public tends to become terribly bored over the years with institutional advertisements that harp on the bad shape a particular mode is in and how that mode is being prejudiced by unfair competition, taxation, or the like. "How we are a public utility and we are not permitted to earn a profit, a reasonable profit. How XYZ Corporation, which is in the food machinery business, is about to make 20 percent profit, and here we are providing this great public service and we are only authorized a 6 percent rate of return, and so forth."

U.S. RESEARCH COULD BENEFIT RAILS

Railroaders have no doubts that Mr. Boyd is looking directly at them on this point. However, those who have studied this feature of his philosophy think his highly publicized intention to concentrate heavily on research will be in their favor. They do not think the new secretary is "anti-railroad" or "anti-anything" for that matter.

Harold Hammond, president of the Transportation Association of America, described the need for public education simply when he said that with few exceptions, the average citizen has little or no idea of the significant relationship between his advanced standard of living and the part our privately owned transport system had, and continues to have, in nurturing that standard.

There are those who continue to think that the new department will attempt in the not too distant future to grab up the Interstate Commerce Commission, the Civil Aeronautics Board and the Federal Maritime Commission. They believe Secretary Boyd when he says these regulatory agencies should not be in DOT, but they are concerned about the possible birth of a quasi-judicial agency. They also feel that the present regulatory agencies are considerably more "political" than in previous years and that if this trend continues the change-over would not be too difficult to bring about. However, several liberal congressmen told Modern Railroads they view this reasoning as "groundless assumption." Not in the foreseeable future would such a change take place, they say. The fear is allied to the threat of nationalization of the railroads—a threat they insist has no basis even for debate.

The department will scratch up some new dirt if it follows Secretary Boyd's belief that DOT should enter selected rate compensation cases. Transportation officials have for many years testified at ICC rate hearings along with the Departments of Agriculture, Commerce, Defense and Justice. Some years ago railroad lobbyists tried to convince Congress that permitting Agriculture to oppose rate changes was constitutionally evil, but nothing came of their efforts. The new department with its immense research facilities could be far more impressive as a witness for the public and the nation's manufacturing interests than, say, the Department of Agriculture, which has never had a strong farm bloc to defend it before the regulatory agencies as has been the case where Congress is concerned.

WILL DOT BUCK DOD ON EXEMPT HAULS?

An initial "hot potato" issue DOT faces after it becomes a reality in approximately three months (Secretary Boyd's appointment must be approved by the Senate, and the new department is scheduled to come into being 60 days after his confirmation or upon Presidential Executive Order "at any time") is the decision by the Defense Department to let agriculture cooperatives backhaul DOD items as a cost-saving venture. This promises to be a real battle because the entire regulated transportation industry joined two years ago to bring about legislation outlawing illegal trucks on the high-

ways. Railroads and motor carriers will ask Mr. Boyd to throw the entire weight of DOT against Defense Secretary McNamara on this one. If he agrees, the resulting run-in could be a sellout. The Defense head may not be liked in certain areas of the House and Senate Armed Services and Appropriations Committees, but here he would be joined by the big agriculture bloc in Congress.

Just how extensive the DOT legislative program will be at the outset is not known at this date. Probably the new department will "go easy" until it has developed sufficient funds of its own. Also, Mr. Boyd has specified that he expects to call in representatives of all forms of transportation as a part of his system for developing policy.

Ben Kelley, recently named head of the U.S. Chamber's Transportation and Communications Department, voices the opinion of numerous experts who have followed the path of the new department when he says DOT is not under any specific orders to produce legislative proposals "but what cabinet agency is?" Yet somehow every cabinet-level department manages to turn out more than its fair share of legislative recommendations on behalf of the Administration, and DOT is not expected to be an exception.

Much of the groundwork at the new agency will depend on the ultimate division of certain responsibilities within the government. For instance, Mr. Boyd thinks that in the case of urban mass transit, a logical division would be for DOT to have all research and demonstration responsibilities, while the Department of Housing and Urban Development would make the policy decisions. The latter would decide where demonstrations should be carried out and in what areas research should be conducted.

Among other things, DOT will certainly strengthen the Office of Emergency Transportation; it may well be that the latter will come in for stiff revamping.

DOT'S MERGER ROLE

The new agency will also study mergers from a policy standpoint but not individual merger agreements.

Probably the most detailed list of expectations to come out of Congress since approval of the department is summed up by Jeremiah J. Kenney, Jr., assistant chief counsel for the Senate Commerce Committee, who traveled the long legislative journey that ended with creation of DOT.

One of the most important features, according to Mr. Kenney, will be development of a legislative program. The new department will wish to be successful from the outset, so Congress is not expecting to receive many controversial suggestions. He thinks the legislative program will be prepared—at least in the beginning—on the basis of consultations with leaders of Congress.

It has been suggested that new subcommittees of the House and Senate Appropriations Committees will come into being. One plan now making the Congressional gossip rounds would put the Department of Commerce and DOT in a new appropriations subcommittee. This is in line with the recently expressed hope that some reorganization can come about in Congress to give the transportation industry its rightful role on Capitol Hill rather than leave it in the somewhat "relegated" position it now occupies.

Another area of concern will be DOT's relationships with the ICC and other regulatory agencies. When Mr. Kenney spelled out his views before the U.S. Chamber symposium, he sounded a sober note on this subject:

"In the very nature of things, the Secretary of Transportation will have a great deal of influence with respect to those nominated by the President for appointment to these crucial regulatory commissions. The secretary will, obviously, be the principal transportation advisor to the President. When vacancies appear imminent in these regulatory agencies, the President will often call upon his Secretary of Transportation for suggestions as to personnel, and for his comments on names submitted by others. . . ."

Railroaders have tended to discount some recent reports that President Johnson will look too strongly on the political side in picking the various administration heads within the new agency. Those who have followed closely the creation of the department think Mr. Boyd will have much to say on this subject. There has been some speculation that the White House may exercise its oft-repeated intention of naming capable women to high government posts; the name of Virginia Mae Brown, ICC commissioner, has been prominently mentioned. Another possibility is Dr. Beatrice Aitchison whose long experience at the ICC and currently as Research Director in the Post Office Department's Transportation Bureau qualify her for serious consideration. The President could do no better than to name either or both women to DOT.

Not to be overlooked is a new emphasis destined to develop as the department expands. This concerns industry men who seek to push their cause with Congress in the competitive battles that will certainly be waged in Washington. That the role played by the secretary of the new agency will keep the lobbying fraternity on its toes is an understatement.

FOOD FOR INDIA

Mr. McGOVERN. Mr. President, the statesmanship and initiative displayed by President Johnson in his food for India message has won the plaudits of commentators around the globe.

The President, in the words of this morning's Washington Post, has proposed "an international approach to the urgent dilemma posed by the world food-population gap."

The President has stated that this Nation will continue its unexampled generosity in sending food to hungry peoples. But he has warned that rising food deficits can no longer be met by one country alone, even a country as superbly productive of foods as the United States.

A key element of the President's new approach, as the Post recognizes, is that other nations agree to supply food and food-related products to India in addition to other assistance they are sending for India's development.

The President's initiative—

The paper writes—

may well be remembered as one of the distinctive landmarks of his Administration's foreign economic policy.

For the benefit of all concerned with the vital problem of world hunger, I ask unanimous consent that this editorial be printed in the RECORD.

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

[From the Washington Post, Feb. 3, 1967]

INTERNATIONALIZING FOOD AID

President Johnson's Food for India Message climaxes a year-long U.S. effort to mobilize an international approach to the urgent dilemma posed by the world food-population gap. When he sought congressional approval to ship 8.3 million tons of grain to India during 1966, the President warned that this country no longer enjoyed comfortable agricultural surpluses and that rising foods deficits abroad would soon be too big for any one country to meet alone. This was followed by a calculated display of White House hesitation when the time came for making a 1967 food aid commitment. Now the President has taken a formal step to establish the multilateral concept by proposing that food aid be channeled through the same World-sponsored consortium responsible for handling economic aid.

The President has wisely distinguished between an interim aid allocation of two million tons intended to cover Indian needs during the period of congressional debate immediately ahead and long-term arrangements for the last half of the current year as well as for later years. For the last half of 1967, food aid is to be placed on a joint basis in which an American share of up to three million tons is made contingent on whether other countries make "appropriate" matching contributions in food or food-related commodities such as fertilizers. The U.S. contribution of 3 million tons will leave a gap of 2.7 million tons in estimated Indian food needs for 1967 to be filled by others. But even if many countries offer fertilizers or other agricultural commodities in place of food, the U.S. reasons, this will release foreign exchange that would ordinarily go for imports in these areas and will thus permit India to buy needed food on commercial terms.

One of the key passages in the President's message is the statement that other members of the proposed consortium have agreed to the principle that food or food-related aid "should not diminish the flow of resources for other development programs. It should be in addition to the targets for each country suggested by the World Bank." This is a surprisingly positive report in light of the past recalcitrance of many of the consortium members in mutual aid efforts. If the consortium members do, indeed, make food aid contributions over and above their existing or planned levels of development aid, the President's initiative yesterday may well be remembered as one of the distinctive landmarks of his Administration's foreign economic policy.

The President's allocation of two million tons and his projection of U.S. intentions for a full year ahead bring to a welcome end the uncertainty surrounding Indian food aid during recent months. Planners in New Delhi should now be able to prepare effectively for the massive distribution problems presented by developing famine conditions in parts of the Ganges plain. Mr. Johnson has regrettably chosen to disregard the recommendation of a bi-partisan task force of congressional leaders that the two million ton interim allocation be made as a grant. However, the President has announced a $25 million gift of food commodities for the specific purpose of famine relief.

The U.S. is once again responding on a massive and generous scale to India's crisis, and asks only that other affluent countries acknowledge a similar responsibility.

A TRIBUTE TO SENATOR BARTLETT AND OTHERS WHO ARE MAKING FISH PROTEIN AVAILABLE TO MANKIND

Mr. GRUENING. Mr. President, it was my pleasure to attend a gathering held last evening in the Capitol hosted by my colleague from Alaska, Senator E. L. (BOB) BARTLETT, honoring the dedicated men and women who have worked over a period of many years to develop fish protein concentrate. Their work was climaxed this week when the Food and Drug Administration gave its stamp of approval for the use of the concentrate

as a food additive. This was a typical gesture on the part of my colleague, who is ever aware that the success which attends any effort is the work of many hands. Since my colleague is a modest man he will never mention the predominant role he played in the successful struggle to have fish protein concentrate accepted. It has his legislation which has established two laboratory plants where the processing will take place. He was mindful that assistance came from Government and industry. At the reception were scientists, and officials from the White House, the Department of State, the Agency for International Development, the Food and Drug Administration and high officials from the Interior Department, where many individuals connected with the Bureau of Commercial Fisheries dedicated their talents and time in producing a highly nutritious product which is expected to be of real benefit in areas of the world where starvation and malnutrition have been the way of life. Several Alaskans here for discussion of fishery problems with Russian and Japanese representatives were also present. This gathering was Senator BARTLETT's way of saying thank you to one and all. Nor should we forget the indefatigable pioneering which our former colleague Paul Douglas brought to bear and which helped pave the way. This achievement is one of the numerous legacies of his dedicated public service.

EDUCATION AND SCHOOL FINANCE IN DISTRICT NO. 1, PORTLAND, OREG.

Mr. MORSE. Mr. President, Mr. John C. Beatty, Jr., chairman of the board of directors of School District No. 1, in Portland, Oreg., has recently brought to my attention an excellent statement of the needs of Portland schools for additional revenues to fund the education of the children of this great city.

I wish to bring the statement to the attention of Senators because, in my judgment, the problems of the Portland public schools in providing educational opportunities for our children mirror to a great extent problems confronting school systems throughout the Nation.

I ask unanimous consent that the report be printed at this point in my remarks.

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

EDUCATION AND SCHOOL FINANCE IN DISTRICT NO. 1, PORTLAND, OREG.

For many years in Portland we have taken pride in public schools. Today we have serious problems which affect the future of our schools and our city. We think that this is the time to state these problems as clearly as we can.

Almost all city school systems in this country are in serious trouble. The development of modern technology has disrupted the social balance of cities and uprooted millions of people. The middleclass flows outward to the suburbs. The poor, the uneducated, the unemployable flow inward to the city core. Social and economic problems multiply. City schools in general have less money to spend per child on education than do the suburbs even though they have many more difficult educational problems. The result has been serious deterioration in the quality of education provided by city schools. City governments are badly hit by these same trends for they, too, nationwide depend on real property taxes.

In Portland we still provide a quality of education which matches suburban schools. But, as we shall show, this is because we have maintained quality of instruction at the expense of our physical plant, and we now have insufficient funds to meet our instructional needs. Unless we receive substantial additional funds we can not do the educational job which must be done in this community.

In the past fifteen years the Portland Public Schools have pioneered in the gifted child program, in curriculum for the college-bound student, in the Model School Program for disadvantaged youngsters. This pioneering approach is the only way we can make education fit the needs of all our children. It is the only way we can make productive, worth-while citizens of all our children. It is the only way we can make a city which is a worth-while place to live, not a social jungle. These are the routes to the goals fixed by Governor McCall in his inaugural address.

Portland has done this pioneering with less state support and spending less money per child than any surrounding district. The figures will astound you. Portland under the present state distribution formula receives only 20% of its operating budget from state funds. The statewide average outside of Portland is 30% Portland, with 17% of the children of the state, receives only 12.5% of the monies the state provides for elementary and secondary schools. In addition, taxpayers of this district contribute more than $2,300,000 per year through the IED levy to support surrounding districts in the county.

At the same time, the taxpayers of School District #1, whose real property taxes support the district, the city, and the county, pay one of the highest real property tax rates in the state. This high combined tax rate exists in all urban areas because crowded populations require greater governmental services.

Our present state distribution formula reflects the thinking of a time when cities were thought to have greater resources and fewer problems than suburban and rural areas. They don't anymore. For ten years this Board has called for revision of this formula.

Portland's present difficulty involves overaged buildings, oversized classes, overdue maintenance, and an increasing concentration of children with severe learning handicaps.

1. OVERAGED BUILDINGS

We have 106 schools. 56 of them were built more than 35 years ago. Every one of them needs modernization to house a modern educational program. In many we need additions such as gymnasiums, lunchrooms, libraries, shops.

Most of Portland's comprehensive high schools are not really comprehensive at all because they lack the vocational programs and facilities necessary to train students who are not going on to college. 60% of our graduates do not go to college. They graduate into a world which can no longer use unskilled workers; a world which every year places a higher premium on technical skill as a condition of employment. Jefferson, Franklin, Roosevelt, Marshall, Madison, Cleveland, and Washington all need extensive additions for vocational facilities and programs if they are to prepare a majority of their students for real job opportunities. And all other high schools except Benson need such programs and facilities for lesser percentages of students. Governor McCall has spoken eloquently of this need. We could and would have developed these facilities and programs some years ago if we had had the funds.

2. OVERSIZE CLASSES

The average class size in Portland is larger than any other unified district around us, and larger than the average in the state. The average class size in the state is 25. Exclusive of the 9 Model Schools, the average elementary class size in Portland is 28. We have 26 classes over 35; we have 572 classes between 30 and 34.

The Schwab Committee recommended a class size of 20 as the goal for the Model Schools to enable teachers to cope with heavy concentrations of children with learning problems. In these schools the average class size is still nearly 24. 65 classes are over 25 and two are over 30.

Class size is not the sole element in providing good education, but as every parent and every teacher knows, it is a very important element. It is perfectly clear from these figures that ordinary children and teachers in Portland's regular classrooms need and are entitled to a reduction in class size to the state average, just as disadvantaged children in certain specific schools need further reduction in class size to lower levels.

One example of the need for additional elementary facilities can be found in the area served by the Alameda, Irvington, and Fernwood schools. These three schools, located in one of Portland's desirable older residential areas, are now 565 pupils over capacity. New construction is essential. Unless the schools serving this area are kept attractive to families, they will move. This area will then become an expanded part of the blighted central city area.

In the north section of the city 600 children at Portsmouth are attending classes in temporary wooden structures built during the second World War which should have been demolished more than twenty years ago. Similar problems exist in every part of our city.

Thirty additional classrooms are needed to provide for the mentally retarded children. Only half of these children are now being taught in the special classrooms which the state law specifies as necessary. The remaining half are being taught in regular classrooms which lack the special programs which these children need.

3. OVERDUE MAINTENANCE

This Board in recent years has been compelled to defer needed maintenance in order to maintain a competitive teacher salary schedule and to meet other increased costs. We did this because hiring good young teachers and retaining good experienced teachers is essential to maintain instructional quality. At least $6 to $7 million is now required to handle overdue repairs such as painting, furnace replacement, plumbing, and similar matters. Hundreds of our classrooms have not been painted for ten years.

Maintenance is more than taking care of public property. It makes schools attractive to prospective teachers and to prospective home owners. Attractive functional schools aid recruitment of able teachers and attract those families who can choose where they wish to live. No one should minimize the great importance of attractive functional schools to the health of a central city school system, nor the social risk involved in an aging deteriorating plant.

4. CONCENTRATIONS OF DISADVANTAGED CHILDREN

Reduction of class size is a pressing need if we are to give teachers a reasonable chance of success in the 9 Model Schools. This point is emphasized by our outstanding teachers who have volunteered for duty in those schools.

But the reduction of class size is only one of the measures which are necessary to do the job of educating the large numbers of disadvantaged children in Portland. 7000 of these children, with their many learning handicaps, are concentrated in Portland ele-

mentary schools. This concentration creates educational problems which are unique. A classroom teacher can handle two or three children with severe learning problems and still do justice to the rest of the children. When the number rises to six, eight, or ten she can provide adequately for neither group of children unless she receives a great deal of help. In 13 of our elementary schools more than 25% of the children come from poverty levels. In two schools the figure runs above 50%.

The Schwab Committee found in 1964 that disadvantaged children in Portland schools had far lower achievement levels than the average Portland student. The Board adopted all of that Committee's proposals to overcome these learning deficiencies. Since then the Board has put into effect all of the recommended measures which lay within its means. The most widely publicized of these has been the Model School Program, designed to provide intensive compensatory education in under-achieving schools.

This program was begun two years ago with $100,000 from the state and $1,250,000 of the $1,900,000 the District received from the federal government. The state grant terminated in one year, but the federal funds, less a 15% cut, have enabled us to spend an additional $187 per child per year in these schools. This has been a beginning, but only a beginning on the program designed by the Schwab Committee. To carry out the balance of the program the District needs an additional $2,000,000 in operating funds and non-recruiting costs of $1,300,000.

The Model School Program has reversed achievement trends and altered the attitudes of children, parents, and teachers. It emphasizes early childhood training in the years when patterns of learning and attitude and behavior are fixed. This program can not be allowed to come to a standstill.

We are spending $550 per elementary child per year district-wide. Many Oregon districts spend considerably more. Careful cost analysis convinces us that to correct the learning deficiencies of disadvantaged youngsters requires about double the cost for the average child per year. Compare this proposed level of expenditure with $2400 per year for crippled children, and with $2000 per year for deaf children. Disadvantaged children are just as handicapped unless corrected. Their numbers are vastly greater and so is the social cost of failing to assist them.

5. EDUCATION FOR ALL OF PORTLAND'S CHILDREN

When we speak of our 7000 disadvantaged children in elementary school and 3000 in high school, do not forget that we have 65,000 other children whose needs, while different, are just as real and just as vital to this community. We have maintained the quality of their education, but, as I have said, at the expense of buildings, maintenance, and size of class. This can not go on. For parents, while patient, expect a plan and a schedule to correct deficiencies.

I have attached to this report a summary of the district's financial position as related to the program needs which I have outlined. The blunt truth is that this district will have revenue under the present formula of $49 million and a minimum budget need of $60 and a half million next year. This figure includes no funds for rebuilding, none for modernization, and only one-tenth of what is needed to reduce class size outside of the 9 Model Schools.

We are at present surveying our school plant, building by building, to determine precisely the cost of reconstruction and of modernizing all sound older structures, and the cost of building to bring our class size down to standard. That survey is not yet complete. But we have seen sufficient data already to know that the cost will exceed $45 million, exclusive of the Community College.

When the study is complete this spring, the Board will have the task of assigning priorities to construction and determining how it should be financed. This work must be done as soon as possible, but the size of the undertaking and the availability of contractors will require spacing this effort over six to eight years.

6. PROPOSALS ON SCHOOL FINANCE

We think it is apparent from these facts that substantial additional revenue is essential for this district to operate our schools to do the educational job that must be done. This in turn requires a change in the state distribution formula.

The re-examination of school finance has been statewide and involves many questions apart from the objections which Portland has to the present formula. Three general proposals for reorganizing school finance have been advanced, and I outline their most important features:

a. The Joint Technical and Lay Committee on School Finance, which has been at work on this problem statewide for nearly two years, recommends a major change in the distribution formula. This proposal builds into the formula an "urban factor" for Portland which recognizes the problem of a central city school district and corrects much of the adverse effect of the present formula. The plan gives to Portland's 17% of the children 15% of the state school support funds compared to the present 12.5%. The Committee proposal does not solve all of our problems of finance, but it represents a solid step forward recommended by people across the state. We support it.

b. The Legislative Fiscal Committee has recommended essentially the same proposal as the Joint Committee, but with one important exception. The Fiscal Committee imposes upon school districts a restriction which will prohibit them from levying more than 1.3% on true cash value for operating expenses for schools, allowing them to exceed that limit for capital construction and operating expenses if approved by a majority vote at a general election or an off-year tax election.

c. The proposal advanced by Governor McCall doubles the amount of money the state will put into school support over the present commitment. It imposes upon schools a constitutional limit of 1% of true cash value for operating expenses. It does not include an urban factor for Portland. It would give to Portland's 17% of the children 14% of the state school support. It leaves to school districts the power to exceed the 1% limitation for capital construction only.

The Governor's proposal is designed both as a system of aid to education, under which the state will finance 50% of the cost of education, and as a measure for real property tax relief.

The financial effect of each of these proposals must be studied not just in terms of how much money will be provided by basic school support but also in terms of how much money is removed when other sources of support are eliminated. The net amount is the critical amount.

The Joint Committee plan and the Fiscal Committee plan will each provide Portland with a net of about $8 million more for the coming year and leave a gap of $4 million. The Governor's proposal provides Portland with a net of about $9 million more and leaves a gap of $3 million for the coming year. The Governor's proposal would provide 44% of our current operating budget and only 33% of the program which is necessary. Because we are already above the 1% level, Portland could not obtain operating funds in the future by a vote of our people no matter how important or urgent this community thought such needs might be. The Governor's proposal will not provide any major real property tax reduction for Portland because this district must levy its full 1% limit to make up our present deficit and finance the programs outlined above, and because we must go outside that limit to rebuild our plant.

The full significance of the proposed constitutional 1% tax limit for schools is that it will in effect transfer to the state legislature the sole power to approve and the sole responsibility for financing the operating costs of all programs and innovations which are needed to redesign this school system to meet the present urban crisis. If this proposal is adopted without modification, hereafter the nature of such proposals and the need for them will have to be determined by the Governor, by the Joint Ways and Means Committee, and by the two Houses of the Legislative Assembly. In that forum this Board and every other Board in this state will have to appear and argue their needs.

Governor McCall deserves great credit for seeking to break the log jam on financing local government and for proposing one method of dealing with excessive dependence on the real property tax. We are giving it our most careful consideration.

When all is summed up, a simple test must be applied to this or any other proposal: will it insure sufficient funds and the flexibility of local control necessary to meet the changing needs of this central city school system this year and in future years? A sober application of this yardstick is particularly essential when such proposals are to be embedded in the state constitution.

Our administration, our Board, and the voters of this district have been prudent in the financial management of this district. We have kept our building construction on a pay-as-you-go basis as long as we could. We do not take a disproportionate share of the local tax base. Statewide, 70% of real property taxes go for education. Less than 50% of the real property tax in this district goes to education. The city of Portland and Multnomah County are also dependent on real property taxes which residents of this district pay. The city, too, has serious financial needs.

We have met our growing crisis caused by the state distribution formula by cutting maintenance and by not rebuilding our aging plant. We have put the money we had in those matters most directly affecting quality —teachers and curriculum development. But the time for basic decisions is now at hand.

Our Board and our administration are committed to a hard, tough, and imaginative attack on the educational problem of this central city. We are doing this in cooperation with our city and all other agencies, public and private, which are involved. We intend to leave no stone unturned to educate every child irrespective of what his handicaps may be, and to provide the highest challenge for learning to every youngster of ability. We need help to do this job, and the help has got to come now while we have a strong and productive system. The expense of reviving a central city public school system once it has seriously deteriorated is enormous. For by the time families will have moved, problems will have compounded, and the environment for living will have become unacceptable. We cannot afford to let that time arrive.

JOHN C. BEATTY, Jr.,
Chairman, Board of Directors.

JANUARY 23, 1967.

Summary of the District's financial position as related to program need

1966–67 budget and revenues	$48,655,000
1967–68 budget, including increased costs, normal increments, maintenance, and estimated salary adjustment necessary to remain competitive with other Oregon districts	55,074,896

Summary of the District's financial position as related to program need—Continued

1967–68 likely revenues under present formula	$49,087,620
1967–68: To fully fund Schwab Report recommendations	3,551,500
School year program	956,000
Auxiliary programs	1,231,500
Capital improvement exclusive of rebuilding and modernization	1,364,000
1967–68: A start on deferred maintenance (Our inventory of need, now in progress, indicates deferred maintenance will reach or exceed $7,000,000.)	1,000,000
1967–68: To purchase land and commence construction of 2 elementary schools at once, total cost, $1,500,000	1,000,000
1967–68 minimum budget needed	60,626,396

A NEW PROPOSAL FOR ENDING THE WAR IN VIETNAM

Mr. GRUENING. Mr. President an extremely thoughtful and important article entitled "Vietnam: The Logic of Withdrawal," written by Howard Zinn, a member of the faculty of Boston University and the author of a forthcoming book on Vietnam, appears in the current, February 6 issue of the Nation. It breaks new ground. It is an effective answer to those who, however much opposed to our entry into the war militarily, who deplore our being there, who feel it was a terrible mistake, still assert that we cannot withdraw unilaterally or precipitately or perhaps in any other now plannable way.

Mr. Zinn's article presents a new view which argues very cogently that withdrawal now in the ways he suggests would not only not cause loss of "face" or its equivalent, "prestige," but that both of these would be enhanced, by the withdrawal he recommends, and that the United States would have far more to gain by following the course he prescribes than by pursuing any other procedure.

This article deserves wide reading and attention, especially among Senators who are distressed about our predicament in southeast Asia but who have not formalized any constructive method of getting us out of that mess.

I ask unanimous consent that the article entitled "Vietnam: The Logic of Withdrawal," be printed at the conclusion of my remarks.

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

VIETNAM: THE LOGIC OF WITHDRAWAL

(By Howard Zinn)

Mr. Zinn, a frequent Nation *contributor, teaches courses in political theory and civil liberties at Boston University. This article will appear as a chapter in his forthcoming book on Vietnam, to be published by Beacon Press in March.*

Senator Hickenlooper of Iowa was questioning George Kennan at the Senate Foreign Relations Committee hearings in early 1966:

"HICKENLOOPER: Now, there are problems facing us and others. . . . How we disengage ourselves without losing a tremendous amount of face or position in various areas of the world.

KENNAN: Senator, I think precisely the question, the consideration that you have just raised, is the central one that we have to think about; and it seems to me, as I have said here, that a precipitate, sudden and unilateral withdrawal would not be warranted by circumstances now."

A bit later in the questioning:

"HICKENLOOPER: Do you think the rather immediate withdrawal of the United States forces and our activity in South Vietnam from that country could be used effectively as a propaganda tool and weapon in Africa and in the emerging nations of Africa?

KENNAN: Senator, it would be a six months' sensation, but I dare say we would survive it in the end, and there would be another day. Things happen awfully fast on the international scene, and people's memories are very short. . . ."

Kennan's testimony on the matter of withdrawal is important because it is representative of a large body of influential opinion which says flatly we must not withdraw, but then cannot really give persuasive reasons why we should not. Prestige, Kennan says, is the "central question" if we withdraw, but then he adds that it would be a "six months' sensation" and "we would survive it in the end."

In *Triumph or Tragedy*, Richard Goodwin argues that withdrawal "would damage the confidence of all Asian nations, and of many other nations, in the willingness and the ability of the United States to protect them against attack." But it seems that most Asians and "many other nations" disagree completely with Goodwin; they would like us to leave Vietnam. And one can readily see why: we are "protecting" Vietnam by killing its people and destroying its land. Who else would want such protection?

Toward the end of his book, Goodwin makes an odd statement. He says: "In the South we have no choice but to continue the war. We are under attack and withdrawal is impossible and unwise." Are we not "under attack" because we are *there*, and is it not true that if we withdrew we would no longer be under attack?

General Gavin, who preceded Kennan as a major witness before the Fulbright committee, had an exchange with Sen. Frank Church of Idaho:

"CHURCH: Now, if we had not intervened in the interim since . . . and if we had not made the pledges that have been made to the Saigon government, and committed American presence and prestige there; in other words, if you were again faced with the same question . . . would you still be of the same opinion that the vital security interests of the United States from a miltary standpoint do not require the deployment of American troops in Indo-China?

"GAVIN: Yes, sir. I would say so. "Vital" is the key word there."

It turns out that a remarkable number of high-placed officials agree that the United States should never have become involved in military intervention in Vietnam. But now that we have done so, they feel an important matter of "prestige" is involved. For instance, in a roundup of opinion in the Senate which *New York Times* reporter E. W. Kenworthy made in the summer of 1965, he found that "many of these silent Senators" told reporters off the record that they wished the United States "had never gone into Vietnam; they would like to get out, even at the cost of a political compromise amounting to defeat, but they will not advocate military withdrawal under fire."

We are dealing here with an odd logic: that it was wrong for the United States to get involved in the first place, because Vietnam is simply not "vital" for American security, but that we must not withdraw from a move that was both wrong and costly because now our "prestige" is involved. This must mean that the stake in prestige is enormously important. It was so important to Sen. Frank Church that when Gavin said he *still* felt no vital United States interests were at stake, Church immediately said:

"I wanted to get that on the record, General, because there has been so much discussion of withdrawal, and I do not know anyone around this table, certainly no member of the Foreign Relations Committee, that has advocated a withdrawal . . . under the present circumstances . . . in Vietnam. But . . . we have made a very great commitment of American prestige and a very solemn political commitment that has to be thrown into the balance. . . ."

Not one member of the Senate Foreign Relations Committee would advocate withdrawal, even those as critical of United States policy as Fulbright, Morse, Church, Gore and Clark. The "solemn political commitment" to General Ky could hardly be considered more solemn than the nation's commitment to the Geneva Accords, to the United Nations Charter, to the Constitution of the United States, all of which have been ignored by United States policy in Vietnam. What is left is "prestige," and it must be that even for the Senators criticizing the Administration this weighed so heavily in "the balance" Church spoke of that none would call for withdrawal. The factor of "prestige" would then have to outweigh all else that stemmed from the admitted original error of engagement in Vietnam: billions of dollars, thousands of lives, and also untold dollars, lives and dangers in the future. To balance all *that* the prestige factor would need to be of overwhelming significance. Let us see.

Kennan himself, in his testimony, talked about "the damage being done to the feelings entertained for us by the Japanese people" by the present policy, and said "the confidence and good disposition of the Japanese is the greatest asset we have had and the greatest asset we could have in East Asia." Does not the loss of United States prestige in Japan—"the greatest asset . . . in East Asia"—rank at least equal to the "six months' sensation" that Kennan said would be the cost of our withdrawal? And if to Japan we add Great Britain, France, indeed, most of Western Europe, as well as Africa and Latin America, where our prestige has suffered heavy reverses as a result of the Vietnamese policy, does it not seem likely that the result of withdrawal would be a net *gain* in prestige?

History does not show that a nation which liquidates a bad venture suffers a serious loss of prestige where it can compensate in other ways. Proud, powerful England surrendered to the ragtag thirteen American colonies, removed its armed forces ignominiously, and did not suffer for it. More recently, and more pertinently, France moved out voluntarily from Algeria and from Indo-China; today it has more prestige than ever before. The Soviet Union pulled its missiles out of Cuba; its prestige has not suffered, and many people who feared World War III was coming feel a certain gratitude for its prudence. Hans Mongenthau, who has spent a good part of his scholarly career analyzing international relations and who made his reputation as a hardheaded "realist," not as an "idealist," has written: "Is it really a boon to the prestige of the most powerful nation on earth to be bogged down in a war which it is neither able to win nor can afford to lose? This is the real issue which is presented by the argument of prestige."

So far I have been talking only about prestige as a flat, one-dimensional quantity. But more important is its *quality*. There is a kind of prestige this nation should not worry about losing—that which is attached to sheer power, to victory by force of arms, devoid of moral content. Which is more terrible: to have people in the world say that the United States withdrew from an unten-

able situation, or to have it said, as is now being said everywhere, that the United States is acting foolishly and immorally in Vietnam?

For George Kennan, there is no vital reason for the United States to stay in Vietnam, even knowing its withdrawal would probably lead to a Communist-dominated Vietnam, *except* for prestige. As he told the committee:

"If it were not for the considerations of prestige that arise precisely out of our present involvement, even a situation in which South Vietnam was controlled exclusively by the Vietcong, while regrettable and no doubt morally unwarranted, would not, in my opinion, present dangers great enough to justify our direct military intervention."

And if, upon examination, this "prestige" turns out to be empty (using Kennan's own example of Japan, plus what else we know), there is hardly anything left to support our "direct military intervention."

Then why, instead of simply urging immediate withdrawal, do Kennan, Gavin and Morgenthau advance the "enclave" theory: that United States forces should stop bombing and retire to a few strong positions on the coast? All of them, not believing that a United States presence in Vietnam is vital, are really suggesting this as a halfway step to withdrawal. The presumption is that holding on to enclaves would also hold on to a bit of prestige and unlike "precipitate, sudden, unilateral" withdrawal, would give us time to negotiate our way out of Vietnam.

This proposal, however, comes too late in the history of the conflict in Vietnam. By now, the war against the Vietcong is mainly an American war; by September, 1966, United States forces were larger than the regular forces of the Ky government. With American bombings ended and troops withdrawn the Saigon government would collapse. Would it serve American "prestige" to stand by in enclaves while the Ky government fell apart to be replaced by a government which—whether Buddhist-neutralist or Vietcong—would ask or tell the United States to leave?

It would be far less ignominious for the United States to decide to leave on its own—before it is asked by a new government in South Vietnam. Speedy withdrawal need not be shameful; this is not a Dunkirk situation where decimated troops, harassed on ground and air, scramble into boats and flee. The United States controls the air, the ports, the sea; it can make the most graceful, the most majestic withdrawal in history. Of course it could not do this in a day or a week; it would need to pull its troops from the interior to the coast (so that *temporarily* there would be something like "enclaves") and then transport them away from Vietnam as quickly as ships and planes could carry them.

The enclave proposal comes too late in another sense. The supposition is that the United States troops could be concentrated in enclaves while negotiations proceeded, at the end of which they would come home. But what would be the point of this? At one time, it might have been argued that this would create the show of force on the spot which would enable the United States to negotiate from a position of some strength. But this implies there is something to negotiate *for*. If there once was, that time is past. Earlier in the war, the National Liberation Front might possibly have settled for some solution less than a dominant position in South Vietnam. For instance, right after Diem's assassination in November, 1963 (according to *The New York Times* and the *Manchester Guardian*, and cited in the American Friends Service Committee's *Peace in Vietnam*), Hanoi was willing to discuss a coalition, neutralist government in South Vietnam. But at that time Rusk turned down a French proposal for a neutral, independent South Vietnam, and the following July the United States rejected a suggestion by U Thant, accepted by France, the USSR, Peking and Hanoi, to reconvene the Geneva Conference. On July 24, 1964, responding to de Gaulle's plea to reconvene at Geneva, President Johnson told the press: "We do not believe in conferences called to ratify terror, so our policy is unchanged." (See Schurmann, et al., *The Politics of Escalation in Vietnam.*) By April, 1965, the negotiating position of Hanoi had become hardened into four points which included settling Vietnamese affairs "in accordance with the program of the National Liberation Front."

It is an old story in the history of rebellion. The American colonists would have been ready to accept some solution less than independence in early 1775, but by January, 1776, they were committed to no less than independence. Negroes in Montgomery, Ala., were ready at one point in the 1955 campaign on bus desegregation to accept merely a modified form of desegregation; but by the time their movement had crystallized, they would accept nothing less than total integration. Richard Goodwin points (in *Triumph or Tragedy*) to the increasing militancy of the other side, despite our ferocious bombing, and says:

"We cannot know the will of men we do not understand. From Thermopylae to the Japanese-infested islands of the Pacific and Hitler's Berlin bunker, history is full of individuals and fighting forces who chose to fight against impossible odds and accept certain death."

Goodwin points to the dilemma of negotiations *at this stage:* the Vietcong will not accept any settlement that does not give them "a role in the political life of the country"; and at the same time, "it is unlikely we will permit any government to come to power which would inflict on us what some would see as the 'humiliation' of requesting our withdrawal."

By now, the Vietcong (and their friends in the North) have sacrificed too much to settle for anything less than a South Vietnam in which the NLF plays the major role, and from which United States troops completely withdraw. And if this is the only possible successful outcome of negotiations with a determined revolutionary foe, what is the point of negotiating? It might be argued that such a settlement might be made in effect, but tied with enough pretty bows and frills to make it *look* as if the United States had gained something from it. The world will hardly be deceived; the deception will last a short time, and there will be a much longer time—no matter what we do—for other countries to contemplate the fact that the United States had, whatever the niceties, departed from Vietnam.

True, there are certain developments to be hoped for when the present government and its American military support are gone. But none of these—except one—depends on the presence of United States soldiers. That one positive thing which the United States can do, as it departs, is to take with it those government officials, army officers and others who fear for their lives when a new government comes in. These people could be resettled in any of a dozen places. Are we required to stay in Vietnam, as some have suggested, in order to "meet our pledges" to the present officialdom, when this seems to require killing their fellow countrymen in large numbers? Surely our job is not to go around the world protecting semi-feudal dictatorships from the wrath of revolutionaries. It is a historical fact that revolutionaires, after victory, are merciless with those of the old regime. After World War II, Frenchmen executed—without benefit of trial—thousands of former Nazi collaborators. (We might note that the United States Government, which seems very concerned with what might happen to Vietnamese officials, was silent when 250,000 Indonesians, said to be Communists, were massacred.) With a bit of inconvenience, we can save many of those in Vietnam who are in danger.

The other desirable developments cannot be guaranteed, indeed can only be thwarted, by United States military presence. One of these is the establishment of a government in which not only the NLF but Buddhist, Montagnard and other elements play a role. This we will have to leave to the Buddhists and others to work for; they are quite militant and capable of pressing for their rights. The United States cannot negotiate, for any future component of government in South Vietnam, a strength which does not exist. If it does exist, then the Vietnamese must negotiate it for themselves. The presence of the United States can only distort the true balance of forces, and only a settlement which represents this balance can be stable.

What was fundamentally wrong with the Geneva Agreements was that the great powers dominated it and falsified the real relationship of forces. All the North and half the South were under Vietminh control, and the division of the country into two equal parts was bound to fail. Not only the United States but also the Soviet Union and the Republic of China were responsible for this development, because their own national ambitions required a peaceful settlement, even at the expense of the Vietminh. Neither communism nor capitalism, it seems, can be depended on to look out for the interests of *other* nations.

We say we want economic well-being for Vietnam. But this, too, is more likely to be hurt than helped by our military occupation. We can be quite sure that an independent South Vietnam, first alone and then in union with the North, will engage in the kind of economic experimentation and development that Communist countries in different parts of the world have done, and quite successfully. This is part of the modernization process that other, non-Communist nations of Asia and Africa are going through. It will be hard, progress will be uneven, and there will be sacrifices, unjustly distributed perhaps. But that is how it was in the West in its period of swift industrial growth.

What else would be presumably like to get out of staying and negotiating: political freedom? This is hard to come by in any part of the economically undeveloped world, whether Communist or non-Communist. We have not been very successful in developing it in those parts of the world dominated by the United States, though we fondly include them in "the free world." Vietnam will probably have to go through a long evolutionary struggle for freedom, as have most countries in the world, whether Communist or not.

There is a good deal of evidence to show that political liberty is related to economic security. As nations grow less desperate in the struggle for necessities, as education spreads, as young people speak out, society becomes more open; this has been happening in the Soviet Union and in Eastern Europe. It means that the best way we can show our concern for both the economic well-being and the political freedom of the Vietnamese is to take the billions that have gone for death and turn them to the service of life. We should offer several billions in economic aid to North and South Vietnam, with no strings attached; or, better still, we can put that money into a UN fund which will then go to Vietnam under international sponsorship.

A United States military presence is a danger to the Vietnamese and to us. Its withdrawal is neither "abdication of responsibility" nor "isolationism." Our bombing and shooting are irresponsible. In the future, we can show our responsibility by giving economic aid, when invited. We can be isolationist in the military sense; we can

be internationalist in the economic and cultural fields.

The United States, thus, cannot gain anything for Vietnam by negotiating, and it *should not gain anything for itself.* Since this country does not belong in Vietnam it has no moral basis for negotiating any status for itself—certainly not military bases or troops; Vietnam has had enough of that.

There is something intrinsically wrong in the idea that the United States should participate in negotiations to decide the future of Vietnam. We are an outside power, and the fact that we have inundated the country with combat soldiers does not thereby give us any moral right to decide its fate. Perhaps might makes right, as a historical fact, but it *should* not make right; and it is the duty of citizens to assert the "shoulds," however statesmen behave.

This is true also for China, the Soviet Union, England and all other great powers. To have the future of Vietnam decided by these outside parties at an international conference is as much a violation of self-determination as was the settlement of Czechoslovakia's fate by Hitler, Mussolini, Daladier and Chamberlain in 1938 at Munich. Whatever negotiation goes on should be among the Vietnamese themselves, each group negotiating from its own position of strength, undistorted by the strength of the great powers. This would give the present government virtually no voice in the future of the country, because it has—without United States backing—virtually no strength. It would give the Buddhist groups an important voice because they represent significant numbers of people, whose support any future government must have. And it would undoubtedly give the National Liberation Front the major voice. (In September, 1966, the NLF reasserted its willingness to work with other Vietnamese groups in a future government, and to desist from reprisals against former foes. This has been a basic part of its program, as Staughton Lynd and Tom Hayden point out in the book, *The Other Side,* reporting their trip to Hanoi.)

In this light, to ask whether the United States will be willing to negotiate with the Vietcong seems strange. Rather, the question is: should the Vietcong be willing to negotiate with the United States? From a standpoint of moral principle it should not; from the standpoint of military reality it may have to. But it is the oppressive power of *our* country which forces this violation of moral principle, and it is the duty of American citizens—whatever the reality of power—to try to bend the power of government toward what is right.

For the United States to withdraw unilaterally, leaving the negotiating to the various groups in Vietnam, would avoid the present impasse over negotiations. This impasse is founded on a set of psychological realities which protract the war. The NLF, imbued with the spirit of patriots driving off an invading army, is willing to continue its guerrilla tactics until the United States is worn down. Besides, the Geneva experience taught it to distrust international agreements; it is confident of its skill in the jungles of Vietnam, not so confident it can outmaneuver great powers at conference tables.

To wait until all of the sensitive and stubborn elements are fitted together in that intricate mechanism of negotiation—the NLF, its sympathizers and advisers in Hanoi, the split personalities of the Johnson Administration, plus its client government in Saigon—is to consign thousands more each month to injury or death. Does it really absolve us of guilty to say that "they" won't talk with us, and so we must continue killing? Does "their" stubborness end *our* responsibility? No actor in this complex situation has more freedom to act, has less to lose by so acting, has greater resources to fall back on, than the United States. The sanity of unilateral withdrawal is that it makes the end of the war independent of anyone's consent but our own. It is clean-cut, it is swift, it is right.

Some say that the Administration, even if it decided on such a move, could not do it, because it is not feasible "politically"; that is, the American public would not accept it. According to this argument, the "prestige" that everyone talks about our losing by withdrawal is really prestige at home.

But the argument is feeble. The Johnson Administration has *not* gained prestige from its Vietnamese actions. The national polls show that the public has gradually, steadily, lost faith in this Administration. In September, 1966, less than half of those polled throughout the country voiced support for the Administration's Vietnamese policy. It is true that the polls do not show a substantial number of Americans in favor of withdrawal. But it is also true that most Americans are tired of the war and we wish we would get out, one way or another. Many think this is best done by military escalation; others by de-escalation; but the idea of *ending the war* is the most common feeling.

Withdrawal has not drawn large support, because it has not been put forward either by the Administration or by its most prominent critics. And so the public has been forced to choose within a limited set of respectable alternatives. If the Administration were to advance a new alternative, it would soon gain the respectability that *any* proposal gets which is made by the leaders of government.

It may be sad to note, but the American public (and probably *any* public anywhere) is extremely changeable and open to suggestion, especially when the suggestion comes from above. When Woodrow Wilson said the United States was too proud to fight in World War I, the public went along. When he then said the United States must fight in World War I, the public again went along. FDR said he would keep the nation out of war and was re-elected. He took aggressive steps toward the Axis and we became involved in the war; he was reelected again.

When Truman got us into the Korean War, the American Public supported him. When Eisenhower got us out, the public was even more enthusiastic.

The President is the most powerful molder of national opinion; he has access to television, radio, the press. Everything he says carries the weight of tradition and patriotism with it—even when he changes his policy, as so many Presidents have done in the past. Political sociologist Seymour Lipset (in *Transaction*, September-October, 1966, "The President, the Polls and Vietnam") analyzed the national poll results: "Though most Americans are willing to keep fighting in Vietnam, they clearly would prefer not to be there and are anxious and willing to turn over the responsibility to someone else. . . . The President makes opinion, he does not follow it."

The memory of the public is short; it takes little time to adjust to new realities. It accepted American toughness toward the Soviet Union. It also accepted American agreements with the Soviet Union on nuclear testing. The President has it within his power to *make* a policy politically feasible; the nation tends to rally around him, especially in foreign affairs, whatever his policy is. We must remember too, that President Johnson, running on a platform of peace in Vietnam, defeated Goldwater by an overwhelming majority when Goldwater was asking military escalation in Vietnam. That constituency for peace still exists waiting for Johnson to give the word.

Of course it takes courage to change a policy, to withdraw suddenly from a situation in which one has become more and more involved. It takes courage to fight off the snipers, the critics, the militarists, the fanatics. It requires either open or implied admission of error. But this is what genuine leadership is.

President Johnson has repeatedly asked his critics: "what do *you* suggest?" I am suggesting that the President should appear on national television one evening, announcing beforehand that he will make a major policy speech on Vietnam. If he goes before the nation, announces the withdrawal of American military forces from Vietnam, and states cogently, clearly, the reasons for this withdrawal, the American people will unite behind him, the editorials of support will blossom everywhere, and the angry cries of the fanatics will be drowned in an immense and overwhelming national sigh of relief.

Many critics of our policy, who know very well that the United States should leave Vietnam, do not want to ask immediate and unilateral withdrawal. That is not because they find powerful reasons against it, but because it is not a good "tactic," not "popular," not acceptable to the President and those working with him.

I believe this reasoning is based on the false notion of how political decisions are made—the notion that citizens must directly persuade the President by the soundness of their arguments. This makes two assumptions which I think are unfounded. One is that the interests of the citizens and the President are the same, so that if they both think straight they will be led to the same conclusions. Robert Michels long ago made the classic case for the fact that once we elect our representatives, they develop interests of their own; the history of human misery under government does much to support his view.

The other assumption is that the President is a rational being who can be persuaded by rational arguments. We have seen—and our recent foreign policy illustrates it—how our highest officials have become the victims of myths which they themselves help to perpetuate.

The so-called "realists" who urge us to speak softly and so persuade the President are working against the reality, which is that the President responds to self-interest rather than to rational argument. In a country where political power passes easily from one major party to another, even a minority can create a new self-interest for the President. But this cannot be done by those who dilute their passion and say only half of what they believe. The critics must begin to speak their full minds, to declare boldly what the logic of their criticism demands: that the U.S. is doing no good in Vietnam, that it is doing a frightful amount of harm, that it should immediately withdraw.

THE PRESIDENT CALLS ATTENTION TO INDIA'S PROBLEM OF OVERPOPULATION AND INSUFFICIENT FOOD

Mr. GRUENING. Mr. President, yesterday the President for the 28th time publicly called to the attention of the world the grim impact the population explosion is having on more than one-half of the world's people. Although he spoke specifically of India in his message on India food, the President correctly observed that India is not alone in facing the specter of near famine.

He reminded us that—

India's plight reminds us that our generation can no longer evade the growing imbalance between food production and population growth. India's experience teaches that something more must be done about it.

We know that land can be made to produce much more food—enough food for the world's population, if reasonable population policies are pursued. Without some type of volun-

tary population program, however, the nations of the world—no matter how generous—will not be able to keep up with the food problem.

Achieving a balance between population and resources is as important as achieving a balance between industrial and agricultural growth.

Developing nations with food deficits must put more of their resources into voluntary family planning programs.

India's population is equal to that of 66 members of the United Nations.

Unless Indian production is supplemented by substantial imports—perhaps 10 million tons by present estimates for calendar 1967—more than 70 million people will experience near famine.

The history of this century is ample reply. We have never stood idly by while famine or pestilence raged among any part of the human family. America would cease to be America if we walked by on the other side when confronted by such catastrophe.

The great lesson of our time is the interdependence of man. My predecessors and I have recognized this fact. All that we and other nations have sought to accomplish in behalf of world peace and economic growth would be for naught if the advanced countries failed to help feed the hungry in their day of need.

Experts tells us that 50 million mothers are now eligible for family planning assistance in India. To some, family planning assistance has been given. To too many, assistance is virtually unknown. India is not unique.

It is significant that India's current 5-year development plan puts more emphasis on population control than ever before. Between now and 1971, the Indian Government will invest nearly 1 billion rupees in family planning programs—more than five times what was provided in all three previous plans combined. India seeks to reduce its birth rate from 42 per thousand to 25 per thousand by 1976. India has sought help from the United Nations. Our hard-working private foundations have been of assistance.

As India works to aline food and population, I would hope that the President's message can be properly implemented.

SENATOR RANDOLPH DISCUSSES AIRPORT AND AIRCRAFT FACTS AND DEVELOPMENTS OF REAL SIGNIFICANCE TO AMERICA'S AIR TRANSPORT SYSTEM—SEES HELP FOR APPALACHIAN PORTS

Mr. RANDOLPH. Mr. President, on February 1, 1967, the Fairchild Hiller Corp., which has a technology center at Germantown, Md., and aircraft division headquarters and plant at Hagerstown, Md., made the significant announcement from New York that it will build the first short-haul jet transport specifically designed for America's regional airlines and the short-stage phases of trunkline service.

In its official release, Fairchild Hiller noted that the craft, designated the F–228, will be a twin-engine airliner intended to provide jet air service to thousands of communities where only propeller-driven equipment can now operate. This is made possible, the company reports, because the F–228 will economically carry 50 passengers over short-stage lengths, cruising at approximately 500 miles per hour, while still operating from runways under 4,000 feet in length. Its maximum gross weights will be 54,500 pounds at takeoff and 54,000 pounds for landing.

Mr. President, on numerous occasions I have discussed the tendency in this country to place inordinate emphasis on research and development in supersonic aircraft and other large capacity, long-haul jets. I have deplored what appeared to me to be too much neglect of research and development of jet aircraft capable of serving the small and medium size airports, with the consequence that hundreds of millions—perhaps billions—of dollars of public investments in airports stand in jeopardy of being lost or endangered.

Last Wednesday, in our Committee on Public Works hearings being conducted by the Subcommittee on Economic Development into Appalachian regional development issues and legislation, I called attention to the fact that a problem in much of Appalachia is that pertaining to the development of airports. I emphasized that I was broadening the term "development" to include the facet of the airport problem which vexes many communities in numerous other regions as well as Appalachia. Now, as then, I refer to the question of the airports of so-called medium size which are threatened with obsolescence by reason of either not having the dimensions or facilities capable of accommodating pure jet airliners which are displacing and replacing propeller-driven craft with an inordinate degree of rapidity.

My interest as a Member of Congress in airport and aviation matters, as many of my colleagues know, began more than three decades ago. In the intervening years, I had a direct involvement in commercial aviation within the airlines industry for more than a decade. Out of the knowledge acquired and as a consequence of experiences in this field, I have had a feeling of very real concern in recent years as I have noted community after community struggling with the impacts of the jet age and the fad—if not the need—to have an oversize airport of the type frequently referred to as a "jetport."

Fearing that the trunkline carriers might be seeking to develop jet service faster than airports could be renovated, extended or developed to accommodate jet aircraft, I have urged caution and study of the problem.

I have held meetings with representatives of the airlines industry and with representatives of the aerospace manufacturers both seeking information and urging more attention to the development of medium-range jet aircraft to serve the small and medium-size airports and the communities which support them. This, I have said time and time again, is a necessity in Appalachia and over most of America to keep the public investments in many airports from being destroyed.

But, from my experiences, I knew that numerous communities were overextending or on the verge of overextending themselves and were expecting "impossible" amounts of Federal aid to satisfy what they are sure is their "need" to have a "jetport" instead of the present airport serving them.

I confess that the trend toward research in supersonic aircraft and the trend of the aerospace manufacturers to develop bigger and bigger jets, as well as the tendency of the trunkline air carrier systems to procure only the large-capacity jets, have caused me to worry about the eventual plight of many of Appalachia's small- and medium-size airports. In fact, I have had a growing concern for the "airport crisis" thought to be developing throughout the United States.

There is, indeed, such a growing crisis—but a new factor may be entering the picture—a factor generated by an Appalachian-based aircraft manufacturer—which may be the means of breathing new life into the medium-size airports.

Last week, I was visited by executives of the Fairchild Hiller Corp. They informed me of the intention of the corporation to announce that it will build the first short-haul jet transport airplane specifically designed for America's regional airlines.

I am pleased to note in the Fairchild Hiller announcement the news that the company's aircraft division at Hagerstown, Md., will produce the F–228 and expects to deliver the first plane of this line in early 1970. The Hagerstown plant and aviation division headquarters employ a substantial number of West Virginians from eastern counties.

The real hopefulness for numerous Appalachian airports and many others throughout the country which face possible obsolescence, if only the large-capacity jets are available to the airlines, will be found in the statistics announced by Fairchild Hiller in its February 1 release.

Their statistics on the F–228 indicate the potential availability of an aircraft which could fill a void of significant proportions. They bring into the picture the possibility that a breakthrough impends—one which conceivably could keep many airports in Appalachia and other regions operable without having to be expanded or replaced at costs in almost astronomical figures.

Our Government and the commercial airlines have a responsibility to the communities served by the small- and medium-size airport which are a part of the growing airport crisis. Hence, there is a public-private responsibility to give careful consideration to this possible crisis-breaking potential in the family of jet aircraft. I sincerely hope that Fairchild Hiller will receive the cooperation it needs and deserves in this pioneering development.

Mr. President, I ask unanimous consent to have printed in the RECORD the news release issued by Fairchild Hiller Corp. from New York on February 1, 1967, concerning its intent to build the F–228 twin-engine jet airliner.

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

RELEASE BY FAIRCHILD HILLER AIRCRAFT DIVISION

NEW YORK, N.Y., February 1, 1967.—The Fairchild Hiller Corporation announced here today that it will build the first short-haul jet transport specifically designed for America's regional airlines.

Designated the *F–228*, the twin-engine airliner will extend jet air service to thousands of communities where only propeller-driven equipment can now operate.

The company's Aircraft Division at Hagerstown, Md., expects to deliver the first *F–228* in early 1970.

Production of the new aircraft will be under a cooperative contract between Fairchild Hiller and Royal Netherlands Aircraft Factories Fokker. Fokker, in association with its European partners, is producing a similar but somewhat larger twin-jet, designated the F–28. Fairchild Hiller will use Fokker F–28 structural components in the *F–228*, thus substantially reducing development time for a new jet for the American market.

The *F–228* will use the F–28 tail group, a shortened fuselage, a portion of the wing structure, and some system components for maximum commonality. Fairchild Hiller has placed an initial order for fifty ship sets of these components.

Under terms of the cooperative contract announced today, Fairchild Hiller will sell both its *F–228* and Fokker's F–28 in the western hemisphere. Fokker will market its F–28 and Fairchild Hiller's *F–228* in the rest of the world. The contract provides the *F–228* and F–28 with a firm footing throughout the world and gives Fairchild and Fokker a further increase in their overall commercial flexibility.

During the past ten years, Fairchild Hiller has been producing and marketing in this hemisphere the turbo-prop F–27 under a license agreement with Fokker. This year Fairchild Hiller introduced a growth version, the FH–227, which will continue in production and be joined in airline service by the *F–228*.

The two companies, working closely together, are credited with one of the world's most successful turbo-prop programs. To date, more than 400 F–27s and FH–227s have been sold.

The American *F–228* will economically carry 50 passengers over short stage lengths, cruising at approximately 500 miles per hour, while still operating from runways under 4,000 feet in length. Maximum gross weights will be 54,500 lbs. at takeoff and 54,000 lbs. for landing.

Power for this advanced technology jet aircraft will be provided by the new Rolls Royce Trent fan jet which was designed specifically to match the *F–228* airframe. This new fan jet will be of high by-pass (3:1) ratio and deliver a minimum sea level static thrust of 9,730 lbs. Specific fuel consumption will be at least 10 to 15 per cent lower than comparable 1:1 by-pass engines. Trent engines will be far advanced in concept, operating with three separate shafts, permitting each of three primary components to run at their individual optimum speeds.

Fairchild Hiller has been working with Rolls Royce in connection with the Trent program for more than a year.

Contributing to the *F–228's* short field capability will be large-span triple-slotted flaps, and other high-lift devices of types now being installed on the newest larger commercial jets.

Many different preliminary design configurations were studied before Fairchild Hiller finalized the *F–228* configuration. Prospects for both immediate performance and future growth were considered best with the selected design.

The *F–228* fuselage will be about three feet longer and two feet wider and higher than that of the FH–227. The larger cabin width will permit five-abreast seating in the *F–228*. Wing span of the *F–228* will be 17 feet less than that of the FH–227, but wing area will be 68 square feet greater.

Fairchild Hiller estimates that *F–228* direct operating costs per mile on short (100 to 200 statute miles) flight distances will be at least 25 per cent lower than those of the smallest medium jet airliner now employed on similar route systems.

In addition to its wide acceptance by the regional airline industry, Fairchild Hiller predicted that the *F–228* would have a bright future as a corporate aircraft. The company said the *F–228* would succeed similar sized prop-driven executive transports now in service.

Production of the *F–228* will continue Fairchild's 40-year tradition of commercial transport aircraft production. The company, which holds FAA Production Certificate No. 1, has since 1926 built 27 different types of certificated civil aircraft.

CONSULAR CONVENTION

Mr. MUNDT. Mr. President, some time later this month or early next month, the Senate will be asked to ratify the proposed consular treaty. Because of some rather disparaging remarks, which I have heard and read, that were made on the Senate floor, and elsewhere, about constituents' rights in expressing opinions contrary to those of the Secretary of State, I rise simply to urge my colleagues in the Senate not to accept the theory that the great right of Americans to petition their Congress is contemptuous in nature and unworthy of our consideration.

Of course, our constituents have the right—and I believe the duty—in every instance to give us the benefit of their convictions. They have the right to address Congress and the right to talk with Members of Congress. To categorize everybody who disagrees with the Secretary of State as a crackpot or a nut is really beneath the dignity of the Senate. I hope the tendency to do so is sharply checked.

I think Senators sometimes forget that these are the people who vote to send us here. This is America speaking. Of course, the people at home have the right to disagree with their public officials here in Washington.

If there are arguments in support of the treaty, let them be stated on the record, but let us not get into the habit of calling everybody who disagrees with us, or with it, a nut because he writes us letters and takes a different position.

I deplore that approach. It is something that is creeping into the Senate. One of these days somebody is going to ask, "What is going on with these arrogant people down in Washington, who are supposed to represent us, that they resent letters or other communications and decry the sincerity or the good intentions of those who dissent?"

Mr. President, I shall place in the RECORD as a part of my remarks the very persuasive and penetrating testimony delivered before the Foreign Relations Committee this morning, in a session which lasted more than 3 hours, by the very organization which up to now I have never heard described as a collection of nuts. That is the American Legion.

It was brought out that at three consecutive conventions the American Legion passed, by resolution, measures opposing the ratification of this consular treaty with Russia. And the Legion gives its reasons.

I submit to my colleagues who may still want to condemn those who want to present their opinions that they read this testimony. That is why I am putting it in the RECORD. It speaks for itself. Theirs is not an intemperate argument. The Legion brought into the discussion two or three points which had never been discussed before by the State Department. It brought in information which someone downtown conveniently forgot to bring up in connection with this whole complicated issue.

I call attention to the fact that the American Legion asked a number of questions, which it answered, and I ask my colleagues, as Senators, to answer them, because we are dealing with a very delicate mechanism in the field of psychological warfare at the very time when we are engaged in a war supported in large part by the very country with whom we are now asked to make this kind of treaty.

So because I think this testimony should be read, I place it in the RECORD. It raises several serious questions:

> Is it consistent with overall U.S. foreign policy to enter into an agreement of this nature with a Communist power that is—at the same time—providing massive military assistance to a third party with which the United States is engaged in combat?

That is a fair question. That does not sound to me like a question from a fanatic, a nut, an extremist or a hate monger. It is a legitimate question. Senators ought to ask themselves that question and answer it. The Legion does ask it. And the American Legion answers it.

I have placed it in the RECORD so Senators may read the entire illuminating testimony.

The second question raised is:

> Is it in the interest of the U.S. to reestablish consulates in major American cities by a government which has as its primary objective the subversion of the government and people of the United States?

Certainly, that is a logical question.

We stumble into wars. Our boys get drafted. Our casualty lists expand. We have to find out whether this is in our own interest. The American Legion raises the question. Senators ought to ask themselves this question and should consult themselves about it. Perhaps, they should consult with their own constituents about it.

I think people are interested in reading why the American Legion believes it is not in the interest either of the United States or of shortening the war in Vietnam, or winning it, to take this action. The testimony will speak for itself.

The third question is:

> Is the treaty itself sound in all respects?

I have heard statements by people pro and con in this argument who have not even read the treaty, who have not analyzed it. We are going, by our votes in a rollcall as United States Senators, to say yes or no to a matter dealing with life and death and our future happiness

and freedom. I suggest, as the Legion suggests, that everybody read the testimony and the treaty so as to find out what is in the small print. The Legion selects and sets out a few paragraphs of the treaty indicating why it has so strongly opposed it:

4. Will all of the predictable or possible consequences of ratification be of benefit to the United States?

The Legion also asks this question.

Normally, countries seeking a treaty try to find something in it to benefit them greatly and considerably. Would this, on balance, be to our benefit? Or does it harm our national interest? It is a fair question. The Legion gives some food for thought in that connection.

Curiously enough, in the hearing today, which lasted for a long time in a 3-hour session, Mr. President, it was brought out from the Legion that we are not dealing with one consulate of one Communist country; we are dealing with consulates of three Communist countries, because Yugoslavia, with four consulates already in this country, would receive all the same immunities, including immunity for felony, espionage, and murder. That should be brought to the attention of this country. Maybe our people approve that. But at least we should know what will result. We should not be expected to buy a pig in a poke. And if anybody ever wrote a letter from the State Department describing a pig in a poke, I submit that the letter you all received from my good friend Douglas MacArthur epitomizes "piggishness in pokishness" as much as any document I have ever seen.

It was not about the difficulties involved. It says that all the consular treaty does is expand protection for American citizens traveling abroad.

He knows it does more than that. I know it. Those who take the time to read either the treaty or the testimony will have it flung at them full in the face. Douglas MacArthur's communication, if you read past the letter and past the signature and the press release, and continue on to a small attachment at the end, just sort of hinted at some of the problems about the great extension of immunities, about the most-favored-nation clause, which is going to prevail. But not a word about this in the hard sell contained in the letter which he signed under date of January 27, 1967.

Mr. President, the Senate is entitled to receive from the State Department answers to these questions of great magnitude. Why does not someone from the State Department, for example, bring forth an answer to the question, still unanswered, as to why the Russian commitment, way back in 1933, over the signature of Maxim Litvinoff, that "As soon as you grant recognition to Russia, we automatically will grant you" these same consular privileges, has not been carried out?

We were not told that, Mr. President, by the State Department witnesses. I was surprised when I discovered that what they ask us now to restate in the consular treaty is already a solemn, signed commitment by the Soviet Government. The State Department says they abrogated it. I say to the State Department, "By what means did they abrogate? On what date, and by what letter? How and when and by what written statement was this Soviet solemn consular commitment abrogated?" We are entitled to the facts. If it was abrogated, I want to know when and by whom, and in what letter. If it was not abrogated, it just shows that they are violating today what they are asking us to sign up for tomorrow.

I think also, Mr. President, the Senate is also entitled to know why has not the Vienna Consular Treaty been agreed to by the United States? Why? It takes just one more nation, the United States, and then you have a multinational consular treaty agreed upon. We have resisted it. The State Department has resisted it. It has not sent it to the Senate. Why? Why did not they send that one up, instead of this bilateral concession to communism?

It is a fair question. Intelligent Members of Congress, wanting to make up their minds on the basis of facts, will wish to know why.

We need this kind of additional evidence. So, Mr. President, I simply put these American Legion questions in the RECORD with this suggestion: That all of us read the full hearings, read the full debate, consider the framework of international affairs in which we are asked to accept the treaty, relate it to our support of a war in which we have now suffered 50,000 casualties, which many believe could well be prolonged additionally by the kind of actions involved in such Consular Treaty agreements, and the inevitable press for East-West trade which is an admitted handmaiden of this proposal.

These are questions we should ponder. I simply suggest that we do not declare ourselves too emphatically one way or the other until the evidence is all in. Let us leave an escape hatch for a more mature and defensible judgment after the facts are all in. And in the meantime, let us not condemn our fellow Americans, and call them names, and insult them insolvently because, out of the fullness of their best intentions, many write their Congressman or Senator or some other public official and say, "I am exercising the right of dissent."

Important as we are, or important as we think we are—and there is sometimes unhappily a vast spread between those two, Mr. President—we still are representatives of the people. This is a government where we, the people, have a right to be heard. It does not mean we who hold office have to agree. But we should not condemn our fellow Americans and castigate them because they solicit our attention to their convictions or because they express their views on important public questions.

Mr. President, I ask unanimous consent that the full text American Legion testimony to which I have referred be printed in the RECORD at this point. Unhappily the 2 hours of questions and answers cannot be read until our hearings are in print which I hope, but am not certain, will be made available to you before you are called upon to vote for this consular ratification.

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

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

STATEMENT OF THE AMERICAN LEGION ON THE CONSULAR CONVENTION WITH THE SOVIET UNION, BEFORE THE SENATE COMMITTEE ON FOREIGN RELATIONS, FEBRUARY 3, 1967

(Presented by Warren H. MacDonald, Director of Research)

Mr. Chairman and Members of the Foreign Relations Committee: We are most grateful to you for providing us this opportunity to present the views of The American Legion on the pending Consular Convention between the United States and the Soviet Union.

The Legal Adviser of the Department of State has defined a consular convention as "a treaty in which the contracting powers regulate the activities and functions of consular establishments and their officers and employees." This bilateral consular convention, with protocol, was signed in Moscow on June 1, 1964, and eleven days thereafter was transmitted to the Senate of the United States by President Johnson, with the recommendation that the Senate give early advice and consent to its ratification. The subsequent legislative history of "Executive D" is well known to the members of this Committee.

TREATY OPPOSED BY THREE NATIONAL LEGION CONVENTIONS

The American Legion is opposed to U.S. ratification of this treaty with the Soviet Union. This position was established through resolutions adopted by our annual national conventions in 1964, 1965, and 1966. Those conventions were comprised of approximately 3,000 delegates, coming from every State and representing the more than two and one-half million members of our organization.

This treaty raises a variety of issues. We think the more important of these are:

1. Is it consistent with over-all U.S. foreign policy to enter into an agreement of this nature with a Communist power that is—at the same time—providing massive military assistance to a third party with which the United States is engaged in combat?

2. Is it in the interest of the U.S. to permit the reestablishment of consulates in major American cities by a government which has as its primary objective the subversion of the government and people of the United States?

3. Is the treaty itself sound in all respects?

4. Will all of the predictable or possible consequences of ratification be of benefit to the United States?

We are convinced that all four of these questions should be answered in the negative. Thus, we oppose the treaty on principle and because we believe certain of its provisions—specifically, those contained in Article 19, section 2—would, if given effect, be both an unwise precedent and an unnecessary threat to the internal security of the United States.

In the more than two and one-half years this treaty has been before the Senate, most opponents of ratification have emphasized the dangers of the "diplomatic immunity" clause in Article 19, section 2, while the proponents have emphasized the gains to be derived from the "notification and access" clauses in Article 12, sections 2 and 3. It is our feeling, that even if the Soviets were to comply fully with the "notification and access" provisions, this otherwise desirable objective would not be worth the risks inherent in Article 19.

Lately, the leading proponents have expressed the thought that the delay in Senate action is due largely to "misunderstanding" about the treaty among both opponents and supporters of ratification. In this connec-

tion, great stress is placed on the fact that the treaty itself is not an agreement to establish any consulates anywhere. On January 25, 1967, the Department's press and radio briefing put the point as follows:

"The Consular Convention does not authorize, propose, suggest, provide for, or require the opening of a single United States Consulate in the Soviet Union, or a single Soviet Consulate in the United States. It does not permit the Soviets to send a single extra person to this country, nor does it let us send anyone to the Soviet Union."

True enough, but we do not think the opponents have been confused in this regard, and we do not think the Department's explanation will mislead anyone into believing that ratification would not result in the establishment of Soviet consulates in the U.S.

The Secretary of State made clear in his testimony to this Committee, both in July 1965 and on January 23 of this year, that—following ratification by both parties—the United States does hope to open a consulate, propably in Leningrad; and, in return, "we would permit the Soviets to open a parallel consulate in a comparable American city." Although the Soviet Union previously maintained consulates in New York, San Francisco, and Los Angeles, it is currently speculated that the Soviets are now interested in Chicago as the site of their initial consulate to be opened pursuant to this treaty.

The Secretary also pointed out that, as to the opening of such a Soviet consulate, this treaty is unnecessary because the President already has authority, under his foreign policy responsibilities, to permit the establishment of foreign consulates in this country even in the absence of a consular convention. Poland, for example, has a consulate in Chicago although a consular convention with that Communist country has been in the "negotiating" stage for some time.

On the other hand, Secretary Rusk indicated that the consular convention under consideration here would provide the legal framework on which the Administration believes it could "prudently" reestablish Soviet consulates in the U.S., on a reciprocal basis.

Nevertheless, from the State Department's point of view, the basic purpose of this treaty is not the authorization of the opening of consulates in both countries. Rather, it is said that the primary intention of the treaty is "to permit the United States promptly to protect and assist its citizens when they are arrested and detained in the Soviet Union."

Considering the unfortunate case of Newcomb Mott and those of numerous other Americans who have been arrested in the Soviet Union, The American Legion earnestly wishes that this goal of the State Department soon might be realized. We do not necessarily agree, though, that this is the basic "purpose" of the treaty. In fact, we think it is not. Instead, it is but the primary *reason* why its U.S. proponents want it ratified.

Also, we fear that the treaty would not be a guarantee of attainment of that desired goal and, in any event, we think other considerations make the goal (assuming Soviet compliance) too costly.

WHAT THE COMMUNISTS EXPECT TO GAIN

This Committee, and the Senate generally, must look at every treaty submitted for its consideration from the viewpoint of not only the United States, but that of the other party or parties as well. What does the other side have to gain? On balance, is the U.S. getting as much as it gives? And, when the other side is a Communist government, we think the Senate is entitled to view the treaty's provisions in the light of both the record and the intentions of Communists generally.

What is the purpose of this Consular Convention from the viewpoint of the Kremlin?

It seems obvious to us that the purpose of this treaty from the Soviet side is exactly the opposite from that expressed by its U.S. proponents. To the Soviets, we think the main purpose of this treaty definitely is to re-establish their consulates in this country, *with a new and unusual rule to apply to all of its agents posted to those consulates*; that is, absolute protection against prosecution by the United States for any crimes committed by them, including the crime of espionage against the United States! This is the intent of Article 19, section 2, to the Soviets.

The treaty's provisions regarding "notification and access" in arrest cases (i.e., Article 12) is hardly the "purpose" of the treaty from the Soviet viewpoint. Those are simply what they gave up—on paper, at least—to gain new islands of diplomatic immunity in America's industrial and transportation heartland.

If this were not true, the Soviet negotiators would have had no interest in the treaty. They definitely would not have troubled themselves if the document were to have been restricted to the provisions of its Article 12 and the protocol related thereto. They had nothing to gain in that regard; we have always given them prompt notification about and unrestricted access to any of their nationals whom we might arrest here. To them, the extension of full and absolute diplomatic immunity to their consular officers is the *quid pro quo* which outweighs the concession they made, on notification and access, as to our nationals arrested in their country. Communists have never been known to enter into an agreement with non-Communists which they did not expect to be of greater advantage to them.

IT WAS RUSSIA THAT INSISTED ON EXPANDED IMMUNITIES

We infer from the available public record that it was the Soviet negotiators who initially raised the matter of full diplomatic immunity for purposes of this Consular Convention. (See Committee's print of Hearing, July 30, 1965, pg. 30). The provisions of full diplomatic immunity for all consular officers has not been a part of our general practice. It was not a feature of our Consular Convention with Japan, which entered into force on August 1, 1964, and which, we assume, was negotiated at about the same time as the pending Convention with the Soviet Union. More significantly, it was not made a feature of the *multilateral* Vienna Convention on Consular Relations which was signed by a U.S. representative, and by the representatives of 31 other nations, on April 24, 1963. Representatives of 20 additional nations have since added their signatures, making a total of 52 signatories.

I will refer further to the Vienna multilateral convention on consular relations in another connection. At this point, I only wish to stress the point that its immunity provisions, set forth in Article 41 thereof, follow the usual and traditional rule; that is, consular officers shall not be liable to arrest or detention (in the receiving State' "except in the case of a grave crime and pursuant to a decision by the competent judicial authority." Consulates have long demonstrated that they can perform their proper functions without the cloak of full diplomatic immunity for their employees.

Article 19(2) of the pending treaty with the Soviet Union provides, on the other hand, as follows:

"Consular officers and employees of the consular establishment who are nationals of the sending state shall enjoy immunity from the criminal jurisdiction of the receiving state."

Thus, under this rule, if a Soviet consular officer, posted in Chicago for instance, commits or attempts to commit a serious crime, our only recourse is to demand his expulsion. This is true no matter how monstrous the offense, and no matter how vital its bearing on our national security. And, however often we declare a Soviet official persona non grata, we may be sure the Soviet government will soon thereafter demand the recall from that country of a comparable U.S. official. Under this treaty, reasons for such action need not be given; but, in previous cases of this nature, it has been Soviet practice to make, and to publicize widely, false spy charges against the U.S. official concerned. (This game of diplomatic tit-for-tat can have, temporarily at least, a disruptive influence on a mission's efficiency. We should not unnecessarily take steps that would surely serve to increase its incidence).

With regard to the immunity provisions of the treaty, Senator Cotton of New Hampshire has observed that the Soviets negotiated this Consular Convention, "not as a bilateral pact for improving Soviet-American relations, but as a cold war maneuver to enhance and expand the intelligence gathering network of the U.S.R.R." We, too, are satisfied that the Soviets have every intention of utilizing any consulates they establish here as centers for espionage and subversion.

The Soviet intelligence services have regularly used that government's diplomatic and other establishments in this country as bases from which to carry on their espionage activities. These activities are known to increase in proportion to the number of Soviet representatives here.

Those who recall the previous abuse by the Soviets of their consular privileges in this country fear that this treaty will provide Soviet agents with increased opportunities for the intimidation, extortion, bribery, blackmail, or even the kidnapping or murder, of persons living here but who have relatives or property in the Soviet Union.

At a minimum, new Soviet consulates in any of our major cities will facilitate the securing, by Communist "consular officers," of all manner of technological data which could serve to promote the Soviet Union's war-making potential. Also, these consulates would doubtless be used as centers for the distribution of Communist propaganda, aimed primarily we feel sure at the more receptive elements on our college campuses.

The counter-argument to much of the foregoing is that we would be enabled, through our new consulates outside of Moscow, to gain equivalent benefits in terms of information about their society. This is unconvincing. The Soviets are still operating a closed society in which it remains extremely difficult for an American official to make any contacts or secure any information not previously sanctioned by Soviet officials. Furthermore, we could be sure that whatever "premises" the Soviets helped us acquire for our consulates, in accordance with Article 5, these would be thoroughly "bugged" with the latest in electronic listening devices, just as has been the case in all offices we occupy in Communist countries.

We stated earlier that we believe the diplomatic immunity provisions of this treaty establish, for the U.S. at least, an unwise precedent. We may soon find that other countries, with which we have a consular treaty that contains the so-called "most-favored-nation" clause, will request extension of the greater immunity protection to their consular employees in this country. While this would be reciprocal in its application, the spread of this new rule on a haphazard, bilateral basis could well work to our detriment.

HOW MOST FAVORED NATION PROVISIONS WOULD ENDANGER U.S.A.

It is our understanding that as many as 33 existing consular treaties between the U.S. and other countries include "most-favored-nation" provisions. The State Department has estimated that if all of these countries exercised their option, we would be extending criminal immunity in this country to an additional 400 or more foreign nationals!

The countries involved include Commu-

nist Rumania and Yugoslavia. While Rumania now has no consulates in this country (other than its consular section in its Washington embassy), it might—following the lead of the Soviet Union—seek to establish one or more, *with full diplomatic immunity* as would be Rumania's privilege under the "most-favored-nation" rule. Also, Yugoslavia now operates a number of consulates in this country, as was dramatically brought to our attention last Sunday morning. These are in New York, San Francisco, Chicago, and Pittsburgh, in addition to their combined consular staff in Washington. We may soon find that we will have a great deal more than only "10 or 15" new Communist agents in this country with full diplomatic immunity!

Poland already has a consulate in Chicago. Following the model of our treaty with the Soviet Union, that country could be expected to seek to complete negotiations on a similar consular convention with us. And, considering our "bridge-building" advances to the other Communist countries of Eastern Europe, all of them may shortly be seeking consulates here, with the same immunity provisions.

But where the "most-favored-nation" clause is applied, we will not necessarily gain back the *quid pro quo* we received in our negotiations with the Soviet Union! Whereas, we there exchanged the "diplomatic immunity" provisions for the "notification and access" provisions, the same exchange would not be applicable in the case of a third country asking for the "diplomatic immunity" privileges for its consular officials. All we would get back then is reciprocity on that score alone. This is an important consideration in the case of the Communist countries of Rumania and Yugoslavia.

The same disadvantageous development might occur in the case of several non-Communist countries which do not provide our consular officers with ready access to our nationals when they have been arrested. Italy and a number of other countries, the laws of which have been derived from the Roman Code, hold their prisoners incommunicado until completion of investigation. In Mexico this can go on for as long as 18 months. Our consular officials are barred from seeing imprisoned Americans under such circumstances, just as they have been in the Soviet Union and most other Communist countries.

The U.S. has been unable to secure "notification and access" rights from Italy and several others with similar laws. Yet, we have a consular treaty with Italy that includes a "most-favored-nation" clause. Thus, if this Consular Convention with the Soviet Union is ratified, we may be asked by Italy to extend to its consular officers here the diplomatic immunity provisions of Article 19, but we will not get the "notification and access" provisions of Article 12 in return.

Should these new immunity provisions spread generally, due to the precedent of this Consular Convention, they will eventually facilitate the spread of the Soviet Union's subversive influence almost everywhere. Others have pointed out with logic that our friends in Latin America would have difficulty in resisting the establishment of Soviet Consulates in their cities, once the barrier to their re-establishment in this Hemisphere is broken, through ratification of this treaty.

It is not difficult to imagine how the Communists would turn this to their advantage, especially when armed with full diplomatic protection for all their agents in Latin America. Surely the establishment of Soviet consulates there would result in intensified political warfare throughout that continent. Castro would get a large boost in his plans to export his (and the Soviets') brand of revolution.

While our government may well be enabled to cope with a small to moderate increase in Communist agents here, are we certain that the intelligence services of the developing countries can do so? It is questions such as this that have caused so many opponents of the Consular Convention, and its special immunity provisions, to wonder if we are not about to open a door which we will not be able to close.

NOTIFICATION OF SMALL SIGNIFICANCE WITHOUT FREEDOM

Turning briefly to the "notification and access" provisions of Article 12, we think it pertinent to point out that these—even if scrupulously observed by the Soviet Union—cannot of themselves eliminate the frictions which arise when that country wrongfully, or for frivolous reasons, arrests an American citizen, and charges him with crimes out of all proportion to his acts. No amount of notification and access will make such cases mere administrative matters, as has been suggested in arguments for the treaty. And, prompt notification plus full access do not necessarily spell freedom for the individual concerned. Furthermore, it can be expected that the Soviets—if they apply the provisions at all—will deny that they cover "dual nationals;" that is, persons who were born in the Soviet Union (or any other Communist country) and who subsequently acquired American citizenship through naturalization.

We are not certain, either, that Article 12 would become applicable immediately upon ratification by both parties, as the proponents indicate would be the case, and without regard to the opening of consulates here. We do not think the language of the article in question (or the treaty as a whole) is all that clear on the point. There is leeway, perhaps, for a different interpretation. At any rate, if the Soviets were to be delayed in getting what they want out of the treaty—more agents in America with more protection—they certainly would not honor Article 12 indefinitely. There would be one more broken treaty added to the already long list.

Nevertheless, the Soviets have had ample time to demonstrate good faith with regard to Article 12. In his January 23rd appearance before this Committee, Secretary Rusk reported that: "In just the 30 months since the Convention was signed, we know of at least 20 cases where Americans have been detained by the Soviet police. . . . In none of these cases did the Soviet authorities adhere to the standards of notification and access provided for by this Convention."

The Soviets have also failed to take the first step toward ratification of this treaty. The Praesedium has the power to ratify at its discretion and it can be called into session at any time. It obviously is awaiting U.S. Senate action.

WHY IGNORE VIENNA CONVENTION ON CONSULAR TREATIES?

Before leaving this subject, we think it of interest to compare the language of Article 12 of this treaty with the comparable provisions of the earlier mentioned Vienna Convention on Consular Relations. The latter seem much more detailed and explicit and, therefore, more desirable from the U.S. point of view. The document in which they appear was signed by a U.S. representative more than a year prior to the signing of the U.S.-Soviet Consular Convention. Many other nations have also endorsed the Vienna Convention.

(Excerpt from Consular Convention with Soviet Union):

"Article 12

"1. A consular officer shall have the right within his district to meet with, communicate with, assist, and advise any national of the sending state and, where necessary, arrange for legal assistance for him. The receiving state shall in no way restrict the access of nationals of the sending state to its consular establishments.

"2. The appropriate authorities of the receiving state shall immediately inform a consular officer of the sending state about the arrest or detention in other form of a national of the sending state.

"3. A consular officer of the sending state shall have the right without delay to visit and communicate with a national of the sending state who is under arrest or otherwise detained in custody or is serving a sentence of imprisonment. The rights referred to in this paragraph shall be exercised in conformity with the laws and regulations of the receiving state, subject to the proviso, however, that the said laws and regulations must not nullify these rights."

(Excerpt from Vienna Convention on Consular Relations):

"Article 36

"Communication and contact with nationals of the sending State

"1. With a view to facilitating the exercise of consular functions relating to nationals of the sending State:

"(a) consular officers shall be free to communicate with nationals of the sending State and to have access to them. Nationals of the sending State shall have the same freedom with respect to communication with and access to consular officers of the sending State;

"(b) if he so requests, the competent authorities of the receiving State shall, without delay, inform the consular post of the sending State if, within its consular district, a national of that State is arrested or committed to prison or to custody pending trial or is detained in any other manner. Any communication addressed to the consular post by the person arrested, in prison, custody or detention shall also be forwarded by the said authorities without delay. The said authorities shall inform the person concerned without delay on his rights under this sub-paragraph;

"(c) consular officers shall have the right to visit a national of the sending State who is in prison, custody or detention, to converse and correspond with him and to arrange for his legal representation. They shall also have the right to visit any national of the sending State who is in prison, custody or detention in their district in pursuance of a judgment. Nevertheless, consular officers shall refrain from taking action on behalf of a national who is in prison, custody or detention if he expressly opposes such action.

"2. The rights referred to in paragraph 1 of this Article shall be exercised in conformity with the laws and regulations of the receiving State, subject to the proviso, however, that the said laws and regulations must enable full effect to be given to the purposes for which the rights accorded under this Article are intended."

We are curious, of course, as to why the Vienna Convention has not been submitted to the Senate for consideration. It was prepared by a conference called under auspices of the United Nations, with 84 polities participating. Representatives of 32 of these, including the United States, signed the Convention on April 24, 1963; and, representatives of 20 more signed it subsequently. The Vienna Convention on Consular Relations will enter into force "on the thirtieth day following the date of deposit of the twenty-second instrument of ratification or accession with the Secretary-General of the United Nations."

At present, we understand that 21 nations, or only one short of the required number, have deposited such instruments with the UN Secretary-General. Yet, the document has not been brought before this body for formal study.

We raise the question of the Vienna Convention because it appears to be a far more comprehensive treaty than the bilateral one before you, and it does appear to contain

even better notification and access provisions. (It does not, however, provide for a specified number of days in which notification and access is to take place, as does the protocol affixed to the U.S.-Soviet treaty.)

The American Legion has not made a formal study of or taken a position on the Vienna Convention. Tentatively, it would appear to be a step in the right direction to have one basic consular convention, to which the U.S. and most other nations could adhere. Then, when this Committee is asked to pass judgment on a bilateral consular treaty, such as the one now before you, it could do so against the background of the basic treaty on the subject. Special consular agreements between the U.S. and another country could be weighed against a generally accepted standard. Also, assuming the terms of the Vienna Convention to be otherwise agreeable to the U.S., we wonder if our government should not lend its prestige to that document so as to help insure its wider acceptance among nations. This would tend to advance the cause of international law and order, an avowed objective of U.S. foreign policy.

The American Legion believes there are many reasons why the Senate should not advise and consent to the ratification of this Consular Convention with the Soviet Union. We have dealt largely, above, with what we considered to be a technical defect in the treaty; namely, that Article 19 would provide the Communist "consular" agents in America with a license to spy.

Going beyond the terms of the treaty itself, however, we are satisfied that its ratification would in no way produce a meaningful improvement in U.S.-U.S.S.R. relations or a true abatement of tensions between us; it would not serve to increase *normal* trade between the two countries, assuming (but not agreeing) this to be a desirable objective at this time.

IS IT WISE OR PRUDENT NOW TO ENHANCE SOVIET PRESTIGE?

On the other hand, ratification would tend to increase unduly the Soviets' prestige among the uncommitted nations; it would tend to enhance their capacity for the spread of Communism; it would add greatly to the complications and costs of combatting Soviet-directed intelligence activities here; and, it could place in jeopardy our policy of non-recognition of the Soviets' forceful takeover of Estonia, Latvia, and Lithuania. Meanwhile, the Soviet Union has failed to settle its debts with the U.S. and to make proper arrangements regarding the property rights of American citizens who are former nationals of the U.S.S.R.

However valid the foregoing reasons for non-ratification of this treaty, there is—in the final analysis—one overriding, all-important reason that must not be ignored.

The American Legion insists that *this is not the time* to be entering upon courses of interaction which give the appearance that we are in peaceful-partnership with the Soviet Union!

That country's leaders have made perfectly clear that they are in the Viet-Nam conflict to stay. When Soviet President Podgorny commenced his state visit to Italy, less than ten days ago, he declared blatantly that: "The Soviet Union is giving and will continue to give . . . North Vietnam ever-growing aid until the full triumph of the just cause for which the Vietnamese people are struggling." The U.S. News & World Report distributed last week documents the massive nature and value of the vital war supplies now flowing, in ever-increasing amounts, from the Soviet bloc countries to North Vietnam. (Article entitled "Russia: The Enemy in Vietnam?")

Russian-made and perhaps Russian-manned missiles and guns are killing American flyers almost daily. Lately, there have been reports of Russian mines planted in the ship channel into Saigon. The Soviets have a radar and communications vessel in the Tonkin Gulf, monitoring our carrier activities there and providing timely warning to the gun and missile crews, and the Mig pilots of North Viet-Nam.

Mr. Chairman and Members, both our free-world allies and our Communist enemies interpret our double-standard policy toward the Soviet Union as a sign of weakness, if not confusion. Britain, France, and West Germany have told us bluntly that if the U.S. sees fit to increase trade with the Soviet bloc, they can see no reason not to trade with Red China, and Cuba, in addition to the rest of the Communist world. And they are following through with large deals, involving materials and technical know-how, which have distorted the term "strategic" beyond repair. And, this trend seemingly was sanctioned by our Government when it recently removed 400 "non-strategic" items from what had been a "strategic" list, unilaterally maintained by the U.S.

Yes, there is bewilderment among large segments of the American public. It is due, we believe, to the concern and confusion that is caused by the glaring and frequently incomprehensible inconsistencies in U.S. approaches to the Communist world.

What is worse, our fighting forces in Viet-Nam do not understand why our official policy is to increase trade with the Soviets and their satellites. Our men there know full well—often from bitter personal experience—that the Soviets are backing to the hilt the enemy they face daily.

It is true that the morale among our troops in Viet-Nam is outstanding. But many of the men there with whom we have had contact, both personally and through correspondence, are puzzled and disturbed by what they consider to be an illogical and dangerous East-West policy on the part of their government. They are being asked by that government to bear the brunt of its policies in the "hot war" with Communism; they need to know that its "cold war" policies are equally realistic and that both have the same objective.

The American Legion respectfully urges that this Committee not act favorably on the pending Consular Convention with the Soviet Union.

Thank you.

CONCLUSION OF MORNING BUSINESS

Mr. BYRD of West Virginia. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

LEGISLATIVE REORGANIZATION ACT OF 1967

Mr. BYRD of West Virginia. Mr. President, I move that the Senate proceed to the consideration of S. 355.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 355), to improve the operation of the legislative branch of the Federal Government, 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. CLARK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

REPEAL OF SECTION 224 OF THE SOCIAL SECURITY ACT

Mr. CLARK. Mr. President, although the Social Security Amendments of 1965 were intended generally to expand benefits, one provision of that legislation has had the opposite effect. As a result of the enactment of section 224 of the Social Security Act, the benefits of about 4,000 totally disabled people are being reduced. Not only are their benefits being reduced but, in some cases, their dependents' benefits are being reduced. Altogether, there are about 12,000 people who as individuals or as families have suffered a loss of income because of this provision.

Section 224 of the Social Security Act provides for the reduction of disability benefits paid to people who became entitled to those benefits after December 31, 1965, unless the workmen's compensation benefit is reduced because the disabled person is getting social security benefits. This reduction does not, however, apply to those who were already getting social security benefits on December 31, 1965. Clearly, this revision is unjust, and should be repealed.

Enactment of section 224 constituted a backward step in social security legislation. From 1956 to 1958 the Social Security Act included a provision that called for the reduction of disability benefits paid to annuitants who were also receiving workmen's compensation. However, in its 1958 report, the Senate Finance Committee recommended repeal of the provision, holding:

> Disability benefits payable under the national social security system should be looked upon as providing the basic protection against loss of income due to disabling illness, and we have concluded that it is undesirable, and incompatible with the purposes of the program, to reduce these benefits on account of disability benefits that are payable under other programs.

Congress did in fact repeal the restrictive section in 1958, but it was reenacted 7 years later, becoming one of the Social Security Amendments of 1965.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator from Pennsylvania yield?

Mr. CLARK. I am happy to yield to the Senator from Delaware.

Mr. WILLIAMS of Delaware. Would the Senator identify which amendment he is speaking on now?

Mr. CLARK. I am speaking out of order on a nongermane matter, in violation of the rules requiring germaneness at the end of the morning hour. I am doing this largely because I am wait-

ing for the Senator from Oklahoma [Mr. MONRONEY] to arrive, so that we can get back to the pending business.

If the Senator from Delaware wants to make a point of order against me, he can take me off the floor.

Mr. WILLIAMS of Delaware. I do not intend to make a point of order. I was asking only for identification of the Senator's amendment. I have no objection, whatsoever. The Senator from Pennsylvania is a stanch proponent of abiding by the rules of the Senate and I am delighted that occasionally he strays by the wayside on these same rules, because they are made to protect the interests of the Senator from Pennsylvania and myself in times like these.

Mr. CLARK. It is a salutary thing to have the Senator from Delaware call me up short.

Mr. President, in reimposing this provision, reducing the social security benefits paid to the totally disabled, the Finance Committee, in an about-face, said in 1965:

> Although there is some dispute as to the number of workers who receive benefits under these two programs and whether these payments are excessive, the committee believes that it is a matter of sound principle to prevent the payment of excessive combined benefits.

Does section 224 constitute a sound principle? Where is the soundness in a provision that denies full benefits to the totally disabled, rendered disabled through injury on the job? Most of these people have families to support on already inadequate benefits. Even though there could conceivably be a few instances where the benefits are excessive, surely this would be preferable to maintaining a policy that results in insufficient payments in the majority of cases.

Mr. President, in my own State of Pennsylvania, as of the end of June, there were 117 families who were not receiving their full social security benefits because of section 224. I have no doubt that by now there are two or three times that number. I believe that Congress has a duty to restore full social security benefits to those recipients who are now denied them because of the operation of this section.

Mr. President, on behalf of myself, Senator MCGEE, and Senator METCALF, I send to the desk a bill to repeal section 224 of the Social Security Act and ask that it lie on the table for 1 week in order that the Senators who wish to cosponsor may have an opportunity to do so.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested by the Senator from Pennsylvania.

The bill (S. 829) to amend title II of the Social Security Act to eliminate the reduction in disability insurance benefits which is presently required in the case of an individual receiving workmen's compensation benefits, introduced by Mr. CLARK (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Finance.

AMENDMENT OF SECTION 5(b) OF PUBLIC LAW 89-372

Mr. CLARK. Mr. President, I send to the desk for appropriate reference, a bill to amend section 5(b) of the act of March 18, 1966—Public Law 89-372—so as to make the prohibition contained therein on the filling of certain vacancies in the office of district judge for the eastern district of Pennsylvania inapplicable to the first vacancy occurring after the enactment of such act.

Mr. President, this bill is occasioned by the fact that the Department of Justice has recommended, with the approval of Senator SCOTT and myself, the Honorable Francis L. Van Dusen, presently a district judge of the eastern district of Pennsylvania, for appointment to the Court of Appeals for the Third Circuit. Since Judge Van Dusen presently holds on the district court a temporary appointment, the vacancy which would ordinarily be created by his elevation to the court of appeals would lapse.

The eastern district of Pennsylvania has the second largest undisposed caseload of any district in the United States. In fact, it takes between 38 and 39 months for a case to come to trial in the district court after it is at issue. The need for this legislation is very great.

I have been in consultation with the Judicial Conference, through Chief Judge Biggs, of the Court of Appeals for the Third Circuit.

I am confident that the bill will receive the strong support of the Federal judiciary. Accordingly, I am hopeful it will receive early and favorable approval by the Judiciary Committee.

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

The bill (S. 828) to amend section 5(b) of the act of March 18, 1966 (Public Law 89-372), so as to make the prohibition contained therein on the filling of certain vacancies in the office of district judge for the eastern district of Pennsylvania inapplicable to the first vacancy occurring after the enactment of such act, introduced by Mr. CLARK (for himself and Mr. SCOTT), was received, read twice by its title, and referred to the Committee on the Judiciary.

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

The legislative clerk proceeded to call the roll.

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

SMALL BUSINESS LOANS

Mr. LAUSCHE. Mr. President, on January 26, 1967, Ed Wimmer, of Cincinnati, president of Forward America, Inc., wrote a letter to Hon. Bernard L. Boutin, Administrator of the Small Business Administration, setting forth his views about certain weaknesses in the making of small-business loans that eventually in fact destroy small business.

In his letter, Mr. Wimmer points out that there is now a $5 million limit on loans that may be made to small business. It is contemplated expanding the limitation of $5 million to a larger amount.

Mr. Wimmer says that if that expansion is made, instead of genuinely small-business houses being preserved, they will be destroyed. He goes on to point out certain other weaknesses in the program.

I think the letter contains arguments that are sound and worthy of consideration by Members of the Senate. I therefore ask unanimous consent that Mr. Wimmer's letter be printed verbatim in the RECORD.

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

JANUARY 26, 1967.

Hon. BERNARD L. BOUTIN,
Administrator, Small Business Administration, Washington, D.C.

DEAR MR. BOUTIN: This is not my first letter protesting S.B.A. guaranteed rental payment for small businesses entering a shopping center and a raising of loan ceilings to the proposed $5 million limit.

In the first instance, the big lenders and insurance companies should not have been allowed to stipulate 70 to 80 per cent chain occupation of a center.

Secondly, there are no grounds whatsoever for a government agency to guarantee a small businessman rental obligations, unless the guarantee covers all small businessmen wherever they may locate.

Thirdly, the Small Business Administration was created to serve the greatest possible number of small businesses, which means that concentration should be on spreading the funds.

A $5 million loan to some hot-shot super market operator would knock out from ten to fifty small merchants before he got through, depriving the city, state and federal government of taxes; depriving people of jobs and the economy of some more capitalists.

(I would not have used this example except that the National Association of Retail Grocers has asked for the ceiling lift, and for who else would they be appealing?)

I urge the S.B.A. and the House and Senate Small Business Committees to give a lot of thought to these matters before taking any of the proposed steps.

Consider, also, Gentlemen, that when federal funds are granted for urban renewal scores or hundreds of smalls are bulldozed out of existence and are replaced by a shopping center with no provisions, the displaced should get first chance to return to the modernized area.

It is the same with the federally financed highways: out go the smalls and at nearly all the best exits of the expressways are more and more of the giants.

The whole policy has been to mow down independent business with taxes, bookkeeping for the government, more fringe benefits to carry, plus no real legislation to prohibit monopolistic practices and predatory competition that has degenerated in competitive cannibalism. Oh yes, there have been some really great victories, but it has been similar to sinking a few submarines while the others sink the fleet.

No one boosts the S.B.A., Federal Trade Commission, Department of Justice, Congressional committees, et cetera, more than the writer. But Gentlemen, for every step forward we have taken two backward.

It is time to change the pace, and 1967 is the year to do it. I know you all are trying.

With every good wish.

Sincerely yours,

ED WIMMER.

LEGISLATIVE REORGANIZATION ACT OF 1967

The Senate resumed the consideration of the bill (S. 355) to improve the operation of the legislative branch of the Federal Government, and for other purposes.

Mr. CLARK. Mr. President, I call up my amendment No. 25, but before it is read, in order not to impinge on the limited time, I should like to obtain unanimous consent to make a statement so that the attendants will relay it to interested Senators.

The Senator from Oklahoma and I have agreed that we would try to dispose of a number of amendments by 2:30 this afternoon, because I have an important executive meeting of the Disarmament Subcommittee of the Foreign Relations Committee to attend. The amendments which I expect to call up, I believe, can be disposed of without a rollcall. I hope we can dispose of them in that way. It is not my intention to ask for rollcalls.

It is my intention, on Tuesday next, to call up two other "Bobby Baker" amendments, which are numbered 22 and 23, and ask for rollcalls on them on Tuesday afternoon.

May we now proceed?

Mr. MONRONEY. Would the Senator consider calling up those two remaining amendments on Monday, rather than Tuesday?

Mr. CLARK. No, because I want to be sure that as many Senators as possible are here when we go to a rollcall vote on those amendments, and I am confident, from my experience, that there will be many absentees on Monday, just as there are many absentees today.

Mr. MONRONEY. That was one of the reasons why we did not wish to take up the two amendments the Senator has mentioned today. I am sure the Senator recognizes the need to move on as fast as we can. I am glad he intends to call up some of his amendments.

Mr. CLARK. I am confident we can have a full working day on Monday without calling up the two "Bobby Baker" amendments.

Mr. MONRONEY. Does the Senator intend to bring up his amendments relative to floor procedures on Monday?

Mr. CLARK. There will be some.

Mr. MONRONEY. There will be some?

Mr. CLARK. Yes.

Mr. MONRONEY. I see. The Senator now intends to move forward on calling up some of his amendments today?

Mr. CLARK. The Senator is correct.

Mr. MONRONEY. I will say for the benefit of other Senators that I expect one rollcall on an amendment offered by the distinguished junior Senator from Vermont [Mr. PROUTY], who has an amendment dealing with creating legislative jurisdiction for the present Select Committee on Small Business.

Mr. CLARK. The amendments I hope to dispose of today are Nos. 25, 26, 27, 29, and 19.

So, Mr. President, I call up my amendment No. 25, and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. The Senator from Pennsylvania [Mr. CLARK] proposes an amendment as follows:

AMENDMENT NO. 25

On page 11, strike out all in line 24, and insert in lieu thereof "committee.".

On page 11, after line 24, insert the following:

"(1) In each session of the Congress one-half of the bills making appropriations of the revenue for the support of the Government shall be introduced in the House of Representatives, and one-half of such bills shall be introduced in the Senate. The chairmen of the Committees on Appropriations of the Senate and of the House of Representatives shall determine by agreement which of such bills shall be introduced in each House. No such bill shall be introduced in more than one House of the Congress. Hearings upon each such bill shall be conducted jointly by the Committees on Appropriations of the two Houses, or by subcommittees of those committees. A member of the Committee on Appropriations of the House in which any such bill was introduced shall preside at all joint hearings upon that bill.".

The PRESIDING OFFICER. Who yields time?

Mr. CLARK. Mr. President, I yield myself such time as I may require.

The purpose of this amendment is to change a longstanding practice, supported by neither the Constitution of the United States nor by legislation, dealing with the handling of appropriation bills.

The House of Representatives has contended for many years—in my opinion, without the slightest justification—that it has the right to act first on appropriations bills. It further contends that the Senate has no right to act first on such bills. It has been indicated from time to time by senior members of the House Appropriations Committee that, if the Senate were to exercise what I deem to be its unquestioned constitutional right of acting first on an appropriations bill, the House would refuse to consider the bill as it passed the Senate.

Article I, section 7, of the Constitution of the United States provides:

> All Bills for raising Revenue shall originate in the House of Representatives; but the Senate may propose or concur with Amendments as on other Bills.

To me, it is inconceivable that that plain language could be distorted so as to justify the conclusion that a bill which is the exact opposite of a tax bill or revenue raising bill, to wit, an appropriation bill, should have to originate in the House of Representatives. It is incomprehensible to me, and always has been, what is the logic by which that peculiar result is determined. If there is anything which could be called the opposite of a revenue bill, it is an appropriations bill. One is to raise money; the other is to spend it. There is nothing in the Constitution and nothing in the laws of the United States which gives the slightest justification for the position taken by the House of Representatives that its coordinate body, the Senate of the United States, has no right to initiate appropriations bills.

But it is not to win a debater's point, nor to establish an unquestioned right in the Senate, that I rise to propose this amendment. It is rather that, because of the fact that the House has overridden the Senate and prevailed in its insistence that all appropriation bills must be initiated in the other body, sessions of Congress are extended, year after year, by perhaps as much as a month—sometimes more. I recall an instance a couple of years ago when the last appropriations bill did not come out of conference and become law until the 31st of December. That was the foreign aid appropriations bill.

Under the present legislation, appropriations bills are supposed to be passed, enacted, and signed into the law by the end of the fiscal year to which they apply—namely, June 30 of each year. During the year I referred to earlier, a great many appropriations bills were not passed until late in the fall. As I say, the foreign aid appropriations bill was not passed and enacted until New Year's Eve. Most of the delay that year—not all of it, but most of it—occurred because the House was so slow in getting appropriations bills over to the Senate. In short, we were the hapless prisoners of a tradition with no logical constitutional or legal justification, imposed on us by the other body.

The pending amendment would remedy that situation, and would call for one-half of all appropriations bills to be introduced in the Senate. From that, it would follow that those bills should proceed in ordinary course, hearings be held, administration witnesses called, and the bill reported out and passed by the Senate and sent to the House. In the meanwhile, the House would be acting on the other half of the bills, so that the time required to process these appropriations bills would be pretty much cut in half, since it is difficult indeed for either body to deal with appropriations bills at the rate of more than one at a time. Of course, since these bills are these days so complicated, it is necessary that hearings be conducted by subcommittees, which mark up the bills and then pass them along to the full committee of either the House or the Senate for further action.

So I think it is fair to say that the adoption of this rule would enable Congress to adjourn a minimum of 30 days earlier than would otherwise be the case.

There is a further provision in the rule which would expedite matters, and that is the provision for joint hearings by committees or subcommittees of the Appropriations Committee. This procedure has been used, in my experience with considerable benefit, in legislative matters such as the amendments to the Manpower Development and Training Act, which was referred to the Committee on Labor and Public Welfare in the Senate, and then rereferred to the Subcommittee on Manpower, Employment, and Poverty, of which I am chairman.

We held joint committee hearings with our opposite numbers from the House under the able leadership of Representative ELMER HOLLAND, of Pennsylvania, and his dynamic colleague, Representative JAMES O'HARA, of Michigan.

Those joint hearings were a great success. When we finished, our House friends went back and marked up their bill and we went back and marked up our bill. As a result, when the bills reached

the floors of both Houses, they were substantially identical, although not entirely so.

When the bills were passed, the matters which had to be considered in conference were reduced to a minimum. The legislation was expedited by several weeks, if not by a month or more.

I am convinced that a similar procedure would be most effective in the appropriations committees, where so many of the bottlenecks in terms of adjournment have existed during the last few years.

Accordingly, I hope that the Senator from Oklahoma would take this amendment to conference so that the issue might be raised with our friends in the House of Representatives.

I have no doubt that there will be considerable resistance if that is done when the bill gets there, but I am strongly of the belief that the Senate should assert its constitutional right in this regard and not supinely submit to a procedure, imposed by the other body, which has neither legal nor constitutional justification.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that the time required for my short statement not be charged to either side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. SYMINGTON. Mr. President, yesterday I voted against a motion to table amendment No. 24 which was introduced by the senior Senator from Pennsylvania to strengthen the rules of the Senate in regard to outside employment of officers or employees of the Senate.

Problems of conflict of interest are matters with which I believe the Senate must deal forthrightly.

However, at the time of the vote yesterday I had not heard or read the address of the distinguished junior Senator from Mississippi, chairman of the Senate select committee to which this problem has been assigned by the Senate.

In this address the Senator from Mississippi states:

> It is an intricate, delicate, far reaching and highly involved matter. If anything is ever worked out on it that will serve the purpose, it will never be done by offering an amendment on the floor of the Senate to another bill with only 30 minutes of debate on each side.

He also stated:

> It is still our purpose to recommend some rules and regulations along this line for the Senate to pass on. We will do that as soon as we reasonably can.

And he added:

> I think that a good set of rules is needed, and that the Senate will adopt them.

I have great respect for the thoughts of the junior Senator from Mississippi on these matters and the work he is doing as chairman of this committee.

Another amendment prohibiting certain activities by Members, employees, and officers of the Senate may be called up during consideration of the Legislative Reorganization Act. Should a motion to table be offered, I will support the tabling motion, pending the report of the Select Committee on Standards and Conduct.

The PRESIDING OFFICER. Who yields time?

Mr. MONRONEY. Mr. President, I oppose amendment No. 25 of the Senator from Pennsylvania.

This proposal, as interesting and desirable as it may be, comes under the heading of a legislative impossibility that dates back for scores of years if not for a century. The House has long asserted the right of jurisdiction for originating of money bills, both taxes and appropriations.

I think all of us have been familiar through the years with the struggle that has gone on at various times in an effort to attempt to provide for joint action by the Appropriations Committees of the two houses.

There is nothing to prohibit this joint action. It is entirely possible under the rules for the two committees to meet. It is so provided in the Legislative Reorganization Act of 1946, that they can meet jointly to hear the testimony.

They have very seldom met jointly. They have done so on occasions on which they desired to hear the testimony of one or two distinguished witnesses whose time was very pressing. It was considered that a duplication of hearings could have only been at the expense of the opportunity for adequate questioning.

We know also of the proposal in the Legislative Reorganization Act of 1946 that provided for a legislative budget to be determined and approved by both the Senate and the House Appropriations Committees and the taxation committees sitting jointly.

This was a monumental failure, as we know. After two short trials, the effort was abandoned as a failure. It is expressly repealed by this act because it is ineffective and impossible of being carried out.

We have passed at least a half dozen times a bill of the distinguished senior Senator from Arkansas [Mr. MCCLELLAN] to establish a Joint Committee on the Budget, setting up by Senate action, at least, a committee of the House and of the Senate, comprised primarily of their Appropriations Committees, to work for and unify the work on the total items in the budget.

We know that this has not even been taken up by the the House of Representatives.

We all remember the long delay that kept the Senate in session months after its time for adjournment, and the jam on appropriations when the Members of the House refused to go to a conference with Members of the Senate simply because we were meeting on the Senate side of the Capitol to consider the bills.

I know that the distinguished senior Senator from Pennsylvania is an optimist. However, I am neither optimistic nor naive enough to believe that we are going to obtain any results by saying that one-half of the bills shall be introduced in the House of Representatives and one-half shall be introduced in the Senate, because both bodies are going to introduce them if they so wish. They have done so in the past.

That is not to say that we do not start hearings in the Senate on the budget requests. That is standing procedure, and the Senate moves oftentimes during the early part of the session to take testimony on the major appropriations bills. Such testimony requires a great deal of time. This is done before the House of Representatives passes the measures.

I think for that reason that the amendment to divide the bills equally between the two Houses would be unworkable because of the lack of desire by the Members of the House to permit joint action by the House and Senate.

Mr. President, at this time I yield such time as he may require to the President pro tempore of the Senate, the distinguished chairman of the Senate Committee on Appropriations, a Senator who has served so long and faithfully in conducting hearings on appropriations matters and also in negotiations with the House of Representatives.

Mr. HAYDEN. Mr. President, apparently the Senator from Pennsylvania is not aware of the fact that much of what he is requesting to be done already is being done by the Senate Committee on Appropriations.

For instance, on February 23, I will proceed to hold hearings on the estimates of the Department of the Interior and the Forest Service in advance of receipt of the bill from the House.

The Senator from Florida [Mr. HOLLAND] always holds advance hearings on the estimates of the Department of Agriculture.

The Senator from Georgia [Mr. RUSSELL] is now holding hearings on the estimates for the Department of Defense.

The Senator from Washington [Mr. MAGNUSON] does not fail to hold hearings in connection with estimates for independent offices before we receive the bill.

The Senator from Alabama [Mr. HILL] holds advance hearings in connection with estimates of the Department of Health, Education, and Welfare.

Advance hearings are also held by the Senator from Oklahoma [Mr. MONRONEY] on the legislative bill; by the Senator from Mississippi [Mr. STENNIS] on the military construction bill; and by the Senator from Louisiana [Mr. ELLENDER], on the public works bill.

We take up these matters ahead of time. We have the budget. Then, when the House has passed an appropriation bill, all we need do is look over the differences, where the House has reduced or added something to an appropriation bill. Practically all the hearings are out of the way when the appropriation bills come over from the House.

So, in my opinion, this proposal of the Senator from Pennsylvania would accomplish nothing.

Mr. HOLLAND. Mr. President——

Mr. MONRONEY. Mr. President, I yield such time as the distinguished senior Senator from Florida may require.

Mr. HOLLAND. Mr. President, I wish to call attention to the fact that this is a much further reaching amendment than those we have disposed of already, which would have changed the rules of the Senate, because this amendment proposes to change the rules of both the Senate and the House, and proposes to

do so by changing the Reorganization Act applicable to both Houses.

Mr. President, not only do I completely support the position of the distinguished Senator from Arizona, but I also wish to say that I made a very long study of the historical question behind this particular issue some years ago; and I made a speech with respect to the subject in the Senate, which I shall not weary the Senate by repeating at this time.

Suffice it to say that in the 1880's when this question arose, the House committed the matter to its Committee on the Judiciary, to decide whether or not, under the Constitution, the Senate had the right to originate annual appropriation bills—and that is what we are talking about. The Committee on the Judiciary reported to the House that, under the Constitution, the Senate undoubtedly did have the right to originate annual appropriation bills.

Notwithstanding that action, the House very strongly, and by heavy vote, repudiated the report of its own Committee on the Judiciary, and insisted upon maintaining the practice that had prevailed for a long time before that, to the effect that money bills should originate in the House.

We had a long argument with the House committee and the House some years ago, which was unprofitable and did not do any good to anybody; and I do not wish to prolong that argument into the chance of passage of this very hopeful bill, which I am in favor of, in the main, and which I do not desire to subject to intolerable handicaps for its passage. I believe that the adoption of this amendment would do just that.

Now, in some matters, the argument of the House has some merit. They have exclusive assignments to the Committee on Appropriations, which we do not have, which allows them to study for long periods the various appropriation bills which they report—by committees much larger in the total than our subcommittees, and much more experienced, considering the cumulated experience of the entire membership of their committee.

Personally, I have found it very helpful to rely on the long hearings which are held in the House; and I believe that, as has been suggested by the distinguished Senator from Arizona, the matter in any particular bill are generally reduced to several items of particular concern, which the Senate can go into very thoroughly, and the Senate has not for a moment held back from differing completely with the House as to those matters in which there appear to be differences between the Senate and the House.

My experience on the conference committees on which I have served—I have served on a great many, under the direction of the Senator from Arizona—indicates that, in the main and in the great majority of cases, the House has yielded to the Senate on those matters on which we have disagreed with them, after conducting our hearings, largely on the basis of the items which were in controversy.

I do not think it is practicable, I do not think it is reasonable, I do not think it will bring any good result, I think it will be a very dangerous thing, for us to incorporate this amendment in the bill.

In closing, I call attention again to the fact that this is the first amendment that has been suggested—at least, which I recall—which not only is aimed at modification of the standing rules of the Senate, but also attempts to modify on the floor of the Senate the rules of the House. I never have heard of our being able to successfully accomplish any such procedure. I do not wish to be a party to such procedure. I believe that the House, regardless of any difference of opinion on this subject, is the body which should state its own rules; and for the Senate to adopt an amendment which is aimed directly at the rules of the House as well as at the rules of the Senate, would not only be an impractical and futile act but also a very injudicious act, because it would appear that we, in our wisdom as Senators, feel that we know more about how the House should be organized than do the Members of the House.

I do not wish to put myself in that position, and I do not believe that any Senators who have thought this matter through will wish to put themselves in that position.

I call attention to the fact that this amendment, far reaching as it is and unwise as I believe it to be, comes from a distinguished Member of the Senate who has given much study to the questions of reorganization of the Senate, but who is not a member of the Committee on Appropriations and who has not had the experience of repeated sitting down with the conferees of the other body, in the attempt to work out long and exhaustive bills, some of which have contained more than 150 differences to be worked out.

I do not believe that it is at all profitable to raise this point, and I hope that the Senate will summarily reject the amendment.

Mr. CLARK. Mr. President, I yield myself such time as I may require. How much time do I have remaining?

The PRESIDING OFFICER. The Senator from Pennsylvania has 20 minutes remaining.

Mr. CLARK. First, in reply to the Senator from Florida, I call attention to the table of contents of S. 355. Part 1 of title I, the committee system, is entitled "Provisions Applicable to Both Houses." Part 2 is entitled "Provisions Applicable to the Senate." Part 3 is entitled "Provisions Applicable to the House."

This bill is chock full of proposals which apply only to one body or to the other body or to both bodies, and so was the Reorganization Act of 1946.

The purpose of a congressional reorganization bill is to make suggestions for changes in the procedures, customs, matters, and method of legislating of both Houses. Sometimes those changes are applicable to one House, sometimes to the other, frequently to both.

In my judgment, the argument that this amendment is an attempt to legislate for the House as well as for the Senate proves nothing. Of course it does. That is what this bill is all about.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. HOLLAND. The Senator does not deny, does he, that this amendment attempts to change the rules of procedure, the standing rules of procedure, and the standing rules of organization of the House of Representatives?

Mr. CLARK. No. It is what the Senate thinks ought to be done. If the House does not wish to take it, it would throw it out of the conference.

Mr. HOLLAND. But the amendment attempts to do that, does it not?

Mr. CLARK. So does the bill. That is the whole purpose of the bill.

I do not mean to be disagreeable with the Senator from Florida. The Senator knows that.

Mr. HOLLAND. The Senator is never disagreeable, not even when we have amendments, so ably presented by the distinguished Senator from Pennsylvania up to this time, which have attempted to make highly controversial changes in the rules of procedure and the table of organization of the House of Representatives as well as the Senate.

Mr. CLARK. In my judgment there is no need to reply further to the Senator from Florida.

With respect to the Senator from Arizona, who I note with regret has left the Chamber, I am quite aware, despite his assertion to the contrary, of the present procedures in the Appropriations Committees under which certain preliminary hearings are held in the Senate on appropriation bills before the House has acted. Of course, this is a useful procedure. However, that procedure does not go to the heart of my amendment, which is to give to the Senate what it clearly has under the Constitution: the legal right to process and complete the processing of one-half of the appropriations bills, leaving to the other body the right to process the other half, all for the process of expediting the business and making the appropriating process simpler, more efficient, and shorter.

I cannot refrain from stating, in all good humor, that the present procedures in the Committee on Appropriations outlined by the Senator from Arizona are totally inadequate and fall far short of the reforms of the appropriating process needed in order to permit both Houses of Congress to adjourn a good many weeks earlier than would otherwise be the case.

Mr. President, I say again, in all good humor, that in my opinion the debate on this amendment is another of many indications of the unwillingness of senior Members of this body to recognize the fact that the Senate is being left behind as the modern world moves along in the civilizing process; at least, I hope it is a civilizing process. It could be the advent of a new type of barbarism. There is no doubt about the fact that the world is changing rapidly. Change is the order of the day. Some like it better than others like it.

It occurs to me that the Senate should be prepared to change where change is necessary and desirable. Yet, during my 10 years in the Senate, when I have

attempted to suggest to my learned and able colleagues that perhaps we ought to at least get on the caboose of the modern world and make a few of those procedural changes which would enable us to perform our function more effectively, efficiently, and promptly, I am always met with the argument, "Well, it has not been done that way," and I do not think the Founding Fathers would like it."

I fear that if we are unable to open the minds of those Senators who so eloquently oppose these amendments which seek to provide these needed changes, which I have been proposing, we will find the day will come—hopefully not in my lifetime, but it will come inevitably—when the Senate, having failed to measure up to the challenges of the modern world, will be discarded by the people of the United States as an obsolete institution, and the people will no longer tolerate its quaint customs and procedures.

Mr. President, if the Senator from Oklahoma is prepared to yield back the remainder of his time, I am prepared to yield back the remainder of my time and have a vote on the amendment.

Mr. MONRONEY. Mr. President, I am prepared to yield back the remainder of my time, but first I wish to make a brief statement. I shall only take a minute.

Mr. President, one of the things that I believe is important in considering reorganization of any legislative body, whether it is State or National, is tradition.

Certainly a part of the tradition over scores of years is that the House of Representatives has traditionally considered money legislation first; and the other House shall have the right to change that legislation, to raise it or lower it, or to get together and agree to it. This may not be the choice of everybody, or the Senator from Pennsylvania, but it has distinct advantages to both bodies. Rather than blow up the entire bill which we are considering—and I have no doubt that this is a time bomb that would certainly explode in the House of Representatives and destroy all hope of reorganization—I ask that this amendment be rejected.

Mr. President, I would like to have a vote at this time. I yield back the remainder of my time on the amendment of the Senator from Pennsylvania which is now pending.

Mr. CLARK. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time for debate has expired. The question is on agreeing to the amendment of the Senator from Pennsylvania [Mr. CLARK]. [Putting the question.]

The amendment was rejected.

AMENDMENT NO. 26

Mr. CLARK. Mr. President, I call up my amendment No. 26 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read the amendment as follows:

On page 2, in the table of contents, immediately after the item relating to section 122 of the bill, insert the following new item:

"Sec. 123. Standing Rules of the Senate."

On page 30, between lines 10 and 11, insert the following new section:

"STANDING RULES OF THE SENATE

"SEC. 123. Rule XXXII of the Standing Rules of the Senate is amended to read as follows:

" 'RULE XXXII

" 'BUSINESS CONTINUED FROM SESSION TO SESSION

" '1. At the second or any subsequent session of a Congress, the legislative business of the Senate which remained undetermined at the close of the next preceding session of that Congress shall be resumed and proceeded with in the same manner as if no adjournment of the Senate had taken place.

" '2. The rules of the Senate shall be adopted at the beginning of each Congress on a yea-and-nay vote, a quorum being present. A majority of the Senators voting and present shall prevail. They may be changed at any time as provided in these rules.' "

Mr. CLARK. Mr. President, I yield myself such time as I may require.

This amendment would repeal subsection 2 of rule XXXII of the Senate, which presently reads:

The rules of the Senate shall continue from one Congress to the next Congress unless they are changed as provided in these rules.

Mr. President, that provision was adopted in the Senate on January 12, 1959, at the insistence of the then majority leader, the present President of the United States. It was adopted after a filibuster against a proposal to change rule XXII of the Senate, so as to provide for majority cloture, and came about in the context of debate on the right of the Senate to change its rules at the beginning of the session of the Congress.

I believed that the adoption of this section 2 of rule XXXII was unwise at the time and should be repealed. One gets into a legalistic argument, not unlike the question of how many angels can dance on the point of a needle, when one considers whether the Senate is a continuing body or not. The answer, I think, is nonetheless clear, that the Senate is a continuing body for some purposes and not for others.

For example, at the end of the 90th Congress, all bills undisposed of as of that time will die and cannot be enacted by a subsequent Congress unless reintroduced.

On the other hand, the terms of two-thirds of Members of the Senate continue and only one-third of the Members of this body are elected. So that, in that sense, 67 Senators continue without any further ratification of their terms by their constituents.

Thus, one could go to considerable lengths to prove that for certain purposes the Senate is a continuing body and for certain purposes it is not.

In my judgment, none of that argument can countervail the provisions of the Constitution of the United States, which states that the House and Senate—and I am paraphrasing here—shall have the authority to adopt their own rules and that a majority shall be a quorum for the purpose of transacting business.

To me, the briefs filed and the speeches and arguments made in connection with the biennial discussion on rule XXII, are as clear as crystal in support of the proposition that at the beginning of each session the Senate has the same right the House has to adopt new rules. Accordingly, as those briefs argued—and, as I believe—section 2 of rule XXXII is unconstitutional.

Now, I am under no illusions as to the fate of the pending amendment. I know what happened earlier this year when, after extensive debate, the Senate refused by a majority to rule on the question posed by Vice President HUMPHREY as to the right of the Senate to terminate debate with respect to a rules change which was raised at the beginning of Congress.

On behalf of the minority—whether learned or not—I believe that that decision was wrong. I noted that by a later vote, 53 Members of the Senate indicated their desire to change rule XXII in order to provide that three-fifths of those Senators present and voting should be able to close debate through the medium of cloture and proceed to a vote on the pending matter.

I have no illusions that, by reopening that question, by submitting this present rule, the Senate will change that result. But the day will come, in my judgment—the Senator from Oklahoma says that I am an optimist and I certainly am—and I make this statement, not only optimistically but also, I think, with a fair sense of realism—the time will come, and come in the not-too-distant future, when the Senate will rouse itself from its lethargy and finally modernize its procedures so that the majority rule may prevail.

Mr. President, that is all the proposed amendment would do. I would incorporate by reference, but not in the RECORD, the able arguments made earlier this year by the Senator from South Dakota [Mr. MCGOVERN], the Senator from California [Mr. KUCHEL], and the Senator from Oregon [Mr. MORSE], in support of the general thesis which is set forth in the proposed amendment.

Mr. President, I reserve the remainder of my time.

Mr. MONRONEY. Mr. President, I shall not take too much of the time of the Senate. This is a matter which I feel every Senator recognizes has been carefully and thoroughly discussed as to the effect in the Senate of adopting new rules at the beginning of each session.

In fact, we had a great many days of debate on it, with thorough understanding, I think, on the part of every one of the 100 Senators. When the vote came, it had the result of determining that the Senate is a continuing body and that the rules go on from session to session.

I think of the history of the difference between the two Houses, the House being a body which is de novo each 2 years that Members and officers have been sworn in, and adoption of rules each session and election of officers occur; that, on the other hand, the matter of Senate organization has clear indication and precedents all over the years that the Senate is, in fact, a continuing body.

The fact that two-thirds of the membership of the Senate are always continuing Members and one-third are newly elected, even though they may be succeeding themselves, I believe, would point to the Senate's being entitled to the privileges of a continuing body.

I feel that we will be doing a great disservice to say that the rules of the

Senate, generated over many, many years, should be thrown away with each passing Senate session and a new set of rules would be subject to passage on the opening day, including rule XXII, or any other of the Standing Rules of the Senate, if a mere majority of the Senate chose to do so on that day.

Provisions are made for modification of Senate rules. They can be changed when the Senate so determines that it wishes to do so.

For that reason, and the fact that we have thoroughly considered this matter at great length at the opening of this session, I oppose the amendment.

The committee feels that this is fundamentally an amendment dealing with floor procedures in adopting the rules of the Senate, and is also beyond the jurisdiction of the grant of authority to the Committee on Organization of Congress. Therefore, no serious consideration could have been given in the committee for this amendment which was suggested by the distinguished senior Senator from Pennsylvania [Mr. CLARK], nor would we have been able, I feel, to approve it, had it been eligible.

The fact of the Senate being a continuing body is, I feel, certainly merited by the facts.

Mr. President, if the Senator from Pennsylvania wishes no more time, I am prepared to yield back the remainder of my time.

Mr. CLARK. Mr. President, I should like to speak very briefly on the rest of my time. I yield myself such time as I may require.

The Senator from Oklahoma suggested that this is an unprecedented amendment, that is, to provide that a legislative body should have the authority to fix its own rules at the time it convenes.

I point out to him that this is a rule of the House and has been since the Constitution was ratified.

I think I am correct in saying that in each of the legislative bodies of the 50 States, including State senates, new rules are adopted as a matter of course at the beginning of each biennial session. I should not say new rules, because ordinarily the old rules are adopted by a voice vote, because there is no desire to change them; but, nevertheless, the right exists for every member of such legislative bodies to propose new rules at the beginning of each session.

Mr. President, all the pending amendment would do would be to extend to Senators the same rights and privileges which every other legislator in the United States presently enjoys.

This, of course, does not mean that there would not be a great hassle over the rules each session. There have been historic hassles over the rules in the House of Representatives. Perhaps the most famous controversy was the fight over Reed's rules, I believe in the 1880's, which abolished the filibuster in the House, streamlined and modernized House procedures, and generally made the House of Representatives capable of performing its legislative responsibilities, a capability which had not theretofore existed, for reasons set forth at some length in many of the works on congressional procedure, which I shall not mention here since they would unduly extend my remarks.

There was another similar rules revolution in the House at the time some of the powers given the Speaker under the leadership of Thomas Reed, of Maine, back in the 1880's were revoked and eliminated because it was felt that the then Speaker Joseph Cannon was exercising undue power.

There was a hassle in the Senate in 1917, after "a small group of willful men" had refused to pass Woodrow Wilson's measure to arm merchant ships shortly before we entered World War I.

The late Senator Thomas Walsh insisted, and insisted successfully, that the Senate then, for the first time, adopt a rule which would permit debate to be terminated on the votes of two-thirds of the Members present and voting.

That caused quite a furor at the time. I think historians believe that Senator Walsh rendered a great service to his country by then insisting on the adoption of rule XXII.

In my judgment, rule XXII is inadequate to the needs of the modern world, and the Senate has the right, the constitutional right, to change that rule, and, in my judgment, many other rules, and should do so in order to bring its procedures up to date.

I noted, during the debate on rule XXII—and I am glad to see present in the Chamber my good friend the senior Senator from Wyoming [Mr. MCGEE]—that he and a number of other Senators from small States had opposed any change in rule XXII. On the other hand, a number of Senators from small States, such as the two Senators from Montana, felt the rights of the smaller States were not prejudiced and would not be prejudiced by a change in the rule.

I know the Senator from Wyoming [Mr. MCGEE] has been in favor of moderate civil rights legislation. I make these comments only because he is here, and to urge him to reconsider his point of view and give some thought to whether the rights of the small States would not be protected under a change in the filibuster rule.

Mr. MCGEE. Mr. President, does the Senator wish to yield now, or to continue?

Mr. CLARK. I shall be happy to yield. How much time do I have remaining, Mr. President?

The PRESIDING OFFICER. The Senator has 17 minutes remaining.

Mr. CLARK. I am glad to yield to the Senator from Wyoming.

Mr. MCGEE. I should like to say to my friend from Pennsylvania, in view of the fact that he brought out my position in the course of his remarks on rule XXII, that there is much more at stake than the question of protecting the right of small States. My position on it goes back to what I suppose one could say is that of a student of political science.

I think there is a great deal to be said for the kind of merged, balanced representation in this country that our Constitution provides for, which has worked, and which not only protects the minority from being loaded down overwhelmingly by the majority—so that the majority can have a great deal of weight—but likewise protects geographic sections as well as many other matters that provide the interplay of a workable government.

I have not been persuaded by any of the recent developments that there is a real need for a change. On most of the past votes on this issue, as the Senator will recall, there has been difficulty in getting a majority. The last vote on the issue got beyond the majority line. But I think this issue should properly be discussed when we are speaking of the substantive issue rather than an emotional one. I think it is better that we talk about it now rather than when there is an issue on civil rights; when men want to rush certain legislation through, and try to have a rule change because of the emotions triggered at that moment. I think this question should not have consideration in those circumstances.

I thank the Senator from Pennsylvania for bringing it up now, when a real, substantive question is at stake. I did not want to have remain in the RECORD the idea that a small group was trying to hold back a mass of those who wanted to get certain legislation through. I think the rule serves a constructive purpose in the delicate balance of the political machinery in a country where the interests are widespread and where there is a diversity of interest. I would rather leave it on that basis.

Mr. CLARK. I thank my friend for his able presentation of his case. He came to the Senate as a distinguished social scientist and historian from the University of Wyoming. I know he is thinking in terms of political science. I only regret that I cannot agree with the conclusion which he has reached.

Mr. President, I am prepared to yield back the remainder of my time.

Mr. MONRONEY. Mr. President, I am prepared to yield back the remainder of my time. I do wish to state that the amendment of the distinguished Senator from Pennsylvania involves much more than rule XXII. In fact, it subjects to approval or disapproval any of the standing rules of the Senate on opening day and leads to the abandonment of the longstanding acceptance of the continuing nature of the U.S. Senate.

Of course, everybody realizes that the House is new each 2 years, by its very organization, and that there is no carryover. The rules of the Senate carry over. They continue until the Senate decides otherwise.

I yield back my time and ask for a vote on the amendment.

Mr. CLARK. Mr. President, I yield back such time as I may have remaining.

The PRESIDING OFFICER. All remaining time on the amendment has been yielded back. The question is on the amendment of the Senator from Pennsylvania.

The amendment was rejected.

AMENDMENT NO. 27

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. CLARK. Mr. President, I call up my amendment No. 27 and ask that it be stated.

The PRESIDING OFFICER. The clerk will read amendment No. 27.

The amendment (No. 27) was read by the assistant legislative clerk, as follows:

On page 2, in the table of contents, immediately after the item relating to section 122 of the bill, insert the following new item:

"Sec. 123. Standing Rules of the Senate."

On page 30, between lines 10 and 11, insert the following new section:

"STANDING RULES OF THE SENATE

"SEC. 123. Rule XXIV of the Standing Rules of the Senate is amended by adding at the end thereof the following new rule:

"'RULE XLI

"'INSTRUCTIONS TO REPORT ON MAJOR LEGISLATIVE MATTERS

"'1. It shall be in order at any time after the conclusion of morning business for any Senator to make a motion to denominate any measure then pending in any committee or subcommittee of the Senate as a "major legislative matter," and such motion shall be a privileged matter and subject to immediate consideration, provided that a notice of intention to make such a motion shall have been presented on the previous calendar day on which the Senate was in session, and printed in the Congressional Record.

"'2. Debate upon such motion shall be limited to eight hours, the time to be evenly divided between the opponents and proponents of the motion.

"'3. Such motion, when agreed to, shall constitute an instruction to the committee to which the measure denominated a "major legislative matter" has been referred to report such measure to the Senate within thirty calendar days, by poll or otherwise, with the recommendation (a) that it be passed, or (b) that it not be passed, or (c) that it be passed with such amendments as shall be recommended'."

The PRESIDING OFFICER. Who yields time?

Mr. CLARK. Mr. President, I yield myself such time as I may require.

Although it is axiomatic that the committees of the Senate are its creatures and its agents, no procedures presently exist by which the Senate can exercise its authority over a committee in a fair, orderly, and effective manner. In fact, Mr. President, if I may be permitted an observation, it occurs to me that we have slowly but surely got into the psychological situation where the committees are not the servants of the Senate or its agents, but are its masters. Such is the power exercised by the chairman of legislative committees and the Appropriations Committee that the large body of the Senate all too frequently finds itself the captive instead of the master of the committees.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. HOLLAND. Under the present rules of the Senate, is it not a fact that a majority of the Senate, upon a simple vote discharging a committee, has the right at any time to call back from a committee a matter which it had before that time entrusted to it?

Mr. CLARK. If the Senator will indulge me, I intend to come to that in a minute.

Mr. HOLLAND. Well, that is the case, is it not?

Mr. CLARK. The answer is, "Yes."

Mr. HOLLAND. I thank the Senator.

Mr. CLARK. This matter becomes particularly pertinent when Congress is dealing with recommendations of the Executive which are part of the Executive's major legislative program. We are all aware that many a President, for many a year, recommended civil rights legislation, but the Committee on the Judiciary never reported it. We are all aware that in days past, if not today—and possibly today—the President has recommended fiscal legislation which not only did not meet with the approval of the Ways and Means Committee of the House, but did not meet with the approval of the Finance Committee in the Senate; and for many a long year, due to the seniority system and the control of committees by ultraconservative chairmen, the custom of "pickling" legislation recommended by the President of the United States became current and choice.

Of course, as a coordinate body of the Government of the United States, the legislature—namely, Congress—has every right to reject, to amend, to modify, or to pass the major legislative recommendations of the Executive; but the purport, the thrust of this amendment is to suggest that the committees have no right to bottle up those legislative recommendations and not give the body itself an opportunity to vote on them.

My thesis is that any President of the United States has a right, under the Constitution and under the orderly processes of government, to have a vote on the merits of his major legislative proposals by the whole body of the House or by the whole body of the Senate.

It is true, as the Senator from Florida suggested a few moments ago, that the rules do presently provide for a motion to discharge a committee from further consideration of a measure. For reasons I indicated a few moments ago, this motion to discharge is rarely used, because the Senate has tended to become the servant of its committees rather than the master; and it is certainly a rash junior Member of this body who would move to discharge a committee of important legislation, where the chairman of that committee was a powerful Member of the Senate establishment, and was determined to "pickle" or to bottle up the legislation.

It is true that for the past couple of years this procedure has not often been followed. But what was done in the past may well be done in the immediate future again, procedure of delay, and this may be applied to some of the Great Society legislation—particularly of a fiscal nature—which the President of the United States might ardently desire to have passed.

Moreover, a motion to discharge cannot be used to secure committee consideration of a subject. You discharge a committee of a measure, but you do not tell it to think about it. You do not tell it to hold hearings. You do not tell it to mark up a bill, or decide it does not not want to mark up a bill. You do not tell it to render a report, whether favorable or unfavorable, on a proposal by the President of the United States. So a vast silence can descend upon a wide area of proposed legislation, without anybody taking the responsibility for having "pickled" or bottled up the bill. This, I submit, is not sound legislative procedure, and the proposed amendment would change that situation.

Moreover, a motion to discharge, as the Senator from Florida did not point out, is subject to unlimited debate, and therefore can be filibustered. So, in effect, a small group of determined Senators could prevent a motion to discharge from ever coming to a vote. The end result is that there is no effective way, under present procedures, by which a majority, or even two-thirds or three-fourths of the Senate can, in the first instance, require a committee to consider a bill strongly recommended by the President, to hold hearings, to mark it up and report it out either favorably or unfavorably.

Of course, if a motion to discharge is filed, two-thirds of the Senators present and voting could impose cloture. But that is a long and cumbersome process, ill suited, I believe, to a motion to discharge. This proposal would remedy the defects of which I have just spoken, by creating a privileged motion to denominate any measure pending in a committee or subcommittee as a "major legislative matter." That motion would be privileged, provided that a notice of intention to make it had been presented on the previous calendar day and printed in the CONGRESSIONAL RECORD. Debate on the motion, under the proposed rule, would be limited to 8 hours. The time would be divided equally between opponents and proponents. Such motion, if carried by a majority of the Senators present and voting, would constitute an instruction to the committee to which the measure had been referred to report it to the Senate within 30 calendar days, by poll or otherwise, with the recommendation: first, that it pass; second, that it not be passed, or third, that it pass with amendments, stating the recommended amendments.

In addition to the other benefits of this proposed rule, I would note that it would tend to do what I strongly believe is highly desirable, which is to give the majority leader—who would presumably support the recommendations of the President of the United States when the President is of the same political party—an additional tool over the committee chairman and the other members of the committee which might be "pickling" or bottling up legislation which the President ardently desires. This, in turn, would, in my judgment, tend to change the present situation to which I adverted a few moments ago, which, in my opinion, in many instances, results in the legislative committees being the masters of the Senate, instead of the Senate being the masters of its committees—which it creates as its agents.

Accordingly, I would hope that the pending amendment—making, I believe, a highly desirable change in procedure, strengthening the hand of the President of the United States without giving him undue power, and strengthening the hand of the majority leader without giving him undue power—would be accepted by the Senate.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. MONRONEY. Mr. President, I oppose the amendment of the Senator from Pennsylvania.

In the first place, this voids the restrictions that were placed upon the Joint Committee on Organization, because it deals with the floor procedures of the Senate, which procedures were denied us in the consideration of recommendations that we would be able to make.

Second, I feel that the amendment would be quite dangerous.

The amendment would permit the Senate, under limited-debate procedure, to designate any measure pending in a committee as a major legislative matter, which designation would require the committee involved to report that measure within 30 calendar days.

In the first place, the Senate now has the power to discharge its committees from the consideration of any matter. The process is not an easy one, and for good reason. While the committees are the creatures and agents of the Senate, they are also composed of the Senate's experts in the fields over which they have jurisdiction. The function of the Senate as a house of revision is furthered by maintaining procedures that will enhance detailed examination of proposed legislation. Any procedure that makes it easy to discharge committees reduces the capability and the capacity of the Senate to obtain full consideration by its expert Senators.

Second, there is another method by which laggard committees may be ordered to report bills. This involves instructing a committee to report by a certain date. The Senate is naturally and rightfully reluctant to follow such a procedure, for it may lead to hasty and ill-drawn legislation. However, under extraordinary conditions the Senate has instructed its committees, as it did, for example, in 1964 when the Committee on the Judiciary was ordered to report a civil rights bill.

Considering the function of the Senate and the devices already available for bringing legislation out of committees, this amendment is unnecessary.

In the committee bill of rights, which was included for the first time in the Reorganization Act now pending, we provided a system whereby a committee chairman, no matter how opposed he might be to legislation, would be compelled to call his committee into session when a majority of the members of the committee sign a notice that they wish to proceed with a matter. The majority would be in sole charge of the business that would be brought before the committee.

Thus, the motion to consider in open hearings and make up or mark up or table the legislation is subject to the will of the majority.

I think it is a far better procedure to give that right to the majority within the committee without the pressures incurred when a matter is declared to be legislation of national importance and without giving what, in effect, is a right to order the committee to be discharged from the consideration of a bill or to report a bill up or down.

I think that Members of Congress are fully familiar with the circumstances of the proposed legislation. I do not care to belabor the matter further.

If the Senator from Pennsylvania is willing to yield back the remainder of his time, we can have a vote.

Mr. CLARK. Mr. President, I merely want the RECORD to note that in disposing of these amendments today I am cognizant of the fact that if they were pressed to a rollcall vote, they would be defeated, probably by large majorities.

Very few Senators are present on the floor. The voice votes are usually 2 or 3 to 1.

I actually got one vote on my side a few moments ago. I think that vote was 4 to 2.

This is a sort of pro forma arrangement that we are going through in order to expedite matters and make a historical record of the amendments on the bill.

I yield back the remainder of my time.

Mr. MONRONEY. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Pennsylvania.

The amendment was rejected.

Mr. CLARK. Mr. President, I note for the RECORD that that vote was 6 to 1.

AMENDMENT NO. 29

Mr. President, I call up my amendment No. 29 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 2, in the table of contents, immediately after the item relating to section 122 of the bill, insert the following new item:

"Sec. 123. Standing Rules of the Senate."

On page 30, between lines 10 and 11, insert the following new section:

"STANDING RULES OF THE SENATE

"SEC. 123. Rule XXIV of the Standing Rules of the Senate is amended to read as follows:

"'RULE XXIV

"'APPOINTMENT OF COMMITTEES

"'1. At the beginning of each Congress the Senate shall proceed by ballot to appoint the members of each standing committee, and unless otherwise ordered, of each other committee of the Senate. All members of each such committee so appointed shall be appointed by one ballot. A plurality of the votes cast shall be required for the appointment of the members of each such committee.

"'In the even a vacancy occurs for any reason in the membership of a standing committee and of any other committee of the Senate during a session of Congress, the Senate shall proceed by ballot to fill the vacancy. A plurality of the votes cast shall be required in the filling of a vacancy.

"'2. Upon the appointment of the members of each such committee at the beginning of a Congress pursuant to paragraph 1, the majority members thereof shall elect by secret ballot of the majority members of the committee one member of that committee to be chairman thereof. Such member shall be of the majority party of the Senate. A majority of the whole number of votes cast by the majority members of the committee shall be required for the election of a chairman of any such committee.

"'No Senator shall be elected or shall continue to serve as chairman of a standing committee after he has attained the age of seventy years, but nothing herein contained shall prevent a Senator who has attained the age of seventy from serving as a member of any committee.

"'When a permanent vacancy occurs for any reason in the chairmanship of a standing committee and of any other committee of the Senate, the vacancy in the membership shall first be filled (if necessary) as provided in paragraph 1 hereof, and a successor chairman thereafter elected as hereinabove provided.

"'No Senator shall be chairman of more than one standing committee nor of more than one subcommittee of each committee of which he may be a member.'"

Mr. CLARK. Mr. President, I send to the desk a modification of my amendment and ask that it be stated.

The PRESIDING OFFICER. The modification will be stated.

The legislative clerk read as follows:

Add new paragraph at the end:

"SELECTION AND RETIREMENT OF COMMITTEE CHAIRMEN

"(3) Nothing contained in this rule shall prevent the election of any Senator as the chairman of any standing committee of the Senate who was the chairman of that committee on February 1, 1967."

The PRESIDING OFFICER. The amendment is so modified.

Mr. CLARK. Mr. President, the modification creates a grandfather clause with respect to present chairmen who attain the age of 70.

I have, of course, no desire to cause the removal of any of my able and distinguished colleagues presently serving as chairmen of committees and who have passed the delicate time in life of three score and 10 years.

Desiring to maintain proper anonymity, I state that there are presently six such beloved colleagues and that a seventh will reach the mystic age of 70 in November of this year. Many of these gentlemen are my warm, personal friends.

I would not want to do anything which might interfere with their continuing to serve as chairmen of committees as long as they see fit.

The amendment has several thrusts. The first calls for the election of chairmen of standing committees by secret ballot of the majority members of the committee at the beginning of each Congress. The present procedure is, if I may say so, mildly comic. What happens is that the steering committee of the majority party—on which I have the honor to serve—meets each year to fill vacancies in the membership of all committees which are assigned to the majority party, in accordance with established ratios. Then the committee on committees of the minority party—at present, the Republican Party—fills the vacancies occurring in its membership on each committee, under the readjusted ratio, and the committee vacancies as thus filled are reported to the Senate and actually adopted by the Senate without debate and on voice vote.

One may ask, "How do you decide who is chairman?" The chairman is designated by putting his name first on the

list of the majority members; and when the Senate approves the list agreed to by the steering committee and the committee on committees, that individual automatically becomes chairman.

How do you decide whom to put at the head of the list? On the basis of seniority—just straight seniority. If a vacancy occurs during a congressional session, the vacancy is filled in the same way, by the next senior member of the majority party automatically acceding to the role of chairman.

Mr. President, the longer I am a Member of the Senate, the less I feel that the seniority system is a wicked thing. In fact, I have already become the beneficiary of the seniority system to a modest extent, in connection with my membership on three Senate committees, and have become the chairman of what I believe is a rather important and useful subcommittee—again, by reason of my seniority. However, it has never seemed to me that the present method of selecting committee chairmen makes any sense at all; and I have always believed that the members of a Senate committee should have the same privilege that is accorded the members of any other committee of which I have ever heard, that of selecting their own chairman.

Every now and then, in civil life, we find an instance in which the chairman of a committee is designated by the appointing authority. But ordinarily the chairman is elected by the members. Even where the chairman is designated by the appointing authority, seniority does not automatically apply.

The proposed amendment would require a secret ballot of the members of the majority on that particular committee, to decide whom they wish to be chairman. This seems to me to be a normal, democratic, American right.

Such is the strength of tradition in this body, that I have no doubt that 9 times out of 10 the secret ballot would result in the election of the most senior member—possibly in 19 cases out of 20. However, during my 10 years of service in the Senate, instances have occurred in which the chairman of a committee was clearly out of tune with the members of the majority party of his committee. In such an instance, by secret ballot, I believe that the members of the majority should be permitted to make another choice. This would have the additional salutary effect of somewhat restraining what might otherwise become the normal human arrogance of an individual who had adequate seniority and was perhaps sometimes inclined to use his power as chairman of the committee to prevent the will of a majority of his committee from prevailing. That would not happen very often, but in my judgment it would be a salutary check.

Accordingly, the thrust of the first part of this amendment would be to require chairmen to be elected at the beginning of each Congress by a majority vote of the members on the committee representing the majority party, and the filling in like manner of vacancies which occurred during sessions.

The second part of the amendment deals with a subject which is sensitive, indeed. As we all grow older—and I am growing older, also—the question always arises whether we are capable, as age creeps on, of seeing ourselves as others see us:

> O wad some power the giftie gie us
> To see oursels as others see us!

Flattery is a common method of achieving what we want in life, and I love it. Flattery will get people almost anywhere with me. I suspect that as one grows older, more and more of one's friends are apt to come up and say, whether they believe it or not, "Senator, you don't look a day older than you did 30 years ago"; or, "Senator, your mind is just as sharp and just as keen and your energies just as undiminished as they were when I first knew you as a young man." This is nice to hear, but perhaps it is not true.

I have noticed—I hasten to add that I have not noticed it with respect to any of the present Members of the Senate, but I have noticed it in other areas of life—that there is a tendency to linger on in positions of power after one's faculties are no longer as alert and keen as they once were. Therefore, most important corporations which require drive, energy, and a keen mind from their executives retire them at varying ages—sometimes 60, sometimes 65, sometimes 70. Rarely is a corporation executive these days allowed to serve as such after he has attained the age of 70.

I do not believe that practices in business or industry are necessarily applicable in politics. But I do believe that the tendency to linger on is a fact with respect to politics in general, including that part of politics which involves the intramural senatorial decisions by which committee chairmen of the Senate are selected.

I wish to make it clear that this provision with respect to age 70 would have no bearing at all on the continued service on the committee of the individual who would be, by the proposed rule, prohibited from continuing to serve as chairman. In his ripe old age he would continue to sit, his wisdom would be available to his junior colleagues and, no doubt, in many instances his views would continue to prevail; but he would be relieved of the enormous administrative burden which every chairman of a legislative committee in this body recognizes to exist. He would be able to devote himself in his declining years to a consideration of legislative matters coming before his committee, and be able to turn over the reins of office, the handling of the staff, the arrangements for hearings, presiding at the markup of bills, and all of that tedious work which is so time consuming and demanding of one's energy, to a younger colleague.

I suggest, Mr. President, that with the inclusion of the grandfather clause which I have added to modify the amendment, its adoption would be a salutary reform which would add to the efficient operation of this body without in any way impinging upon the right of senior Senators in their declining years to continue to sit as members in good standing of all committees on which they have always served, to continue to make their excellent contributions to the work of this body.

Mr. President, I reserve the remainder of my time.

At this point Mr. RIBICOFF took the chair as Presiding Officer.

Mr. MONRONEY. Mr. President, I oppose the amendment of the distinguished Senator from Pennsylvania to abolish the present method of electing committee chairmen and to prohibit Senators beyond the age of 70 from serving as committee chairmen of any standing committees of the Senate.

This is a most important amendment. It is one of the most important amendments that has been offered.

Many people who talk about the seniority system fail to recognize that there is no seniority rule which requires the selection of the Senator longest in service on that particular committee to become its chairman or to continue to be its chairman until he leaves the service of the Senate or until he dies.

It would seem to me that the present system offers a better opportunity for a smoother, more efficient, and effective committee system in that it transfers to the caucus of the Senate or the House of Representatives, as the case may be, the determination of the selection of committee chairmen. Under custom, this has been the selection of the senior member of a committee to be its chairman. The recommendation of the caucus comes to the Senate, and it is the Senate which makes the appointment to the chairmanship of a particular committee.

Mr. President, I grant that if this system were changed we would probably have more direct action among the majority members of a committee by secret ballot to choose the chairman of the committee. I presume that under the proposed amendment, such action would take place every 2 years, and the designation of committee chairmen would be required at each new session of Congress.

If I am wrong in that assumption, I would appreciate enlightenment from the distinguished Senator from Pennsylvania.

Mr. CLARK. The Senator is correct.

Mr. MONRONEY. This process would occur every 2 years. Everyone knows the close-knit harmony required within a committee to secure consideration, hearings, and passage by the Senate of measures reported by the committee.

To divide the majority members of a committee in a highly contested election every 2 years to determine who shall be the chairman of the committee would, I believe, be more disrupting than beneficial, if the committee were to choose its chairman by secret ballot.

Obviously, the majority party is supposed to be able to marshal the majority of committee votes. The Senate majority member is charged with that responsibility. Consequently, the division between two popular members of a committee would have a divisive and disrupting effect if there were a challenge every 2 years to the leadership of the committee. I doubt that it would add to the quality of legislation or enhance the harmony of the majority members on the committee.

It would seem to me that the system we now have, faulty though it is, of allow-

ing the chairmanship of a committee, regardless of personality, to go to the most senior member of a committee is the best method we have been able to devise. It is not entirely satisfactory to Congress, but as Winston Churchill said:

Democracy is the worst form of government, except all other forms of government.

I would say that seniority is probably the worst form of choosing chairmen, except for all other forms of choosing chairmen. There is no happy solution.

The present system eliminates personality clashes and acrimony that might occur in a contest or campaign for a period of time for the small number of votes that would be available for the majority members to seek the blessing of the chairmanship in a secret ballot. For that reason, I doubt whether we would be improving the present situation.

Perhaps there are other methods. I do not know. Certainly, it is not a matter that any Senator would wish to have swept under the rug. Most people feel that the seniority system is a rule. The caucus can change the system any time it wishes to do so. Whenever the majority wishes to change the system, the majority in caucus can change it. However, the chairmen would be selected by caucus with a large number of Senators voting for the chairmen. There would be no limit to the number of Senators who would be choosing the chairmen of committees.

Mr. President, while the 70-year-old age limitation would deny to Senators a period of service as chairmen of committees if they were age 60 or 65, it would limit their service to a small number of years, and thus limit their efficiency in being able to understand the legislation they are charged with passing on the floor to a very short number of years.

The lowering of the average age limit in the Senate, which has occurred, will result, under the present system, in many younger Senators becoming chairmen, because they entered the Senate at a younger age and became senior Senators at an earlier age than has been true heretofore.

It would seem to me that the marking of a man who is past the age of 70 probably would not only eliminate him as a chairman of the committee, a post in which he may have a vast amount of experience—such as the late great Senator Harry F. Byrd and many other Senators I can recall—but would also probably effectively eliminate him as a distinguished statesman, as the distinguished Senator from Pennsylvania mentioned. It would probably mark him as a man who has passed the age of leadership for which the Senate considers qualified except for age.

I think the people of his State are qualified to continue him, but it would be a matter that would certainly be detrimental to his success in any formal campaign if he had passed the "magic" age of 70. It would proscribe him from assuming the duties of the chairmanship of any committee and require his retirement, although it would not apply to present Members. His retirement from that office would be required no matter how ably, competently, effectively, and energetically he had performed the duties of his office.

Mr. President, I urge that the pending amendment be voted down, as I am sure the Senate will do.

Mr. DIRKSEN. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I yield.

Mr. DIRKSEN. I have asked the majority leader whether I could yield for a moment to the Senator from Vermont [Mr. PROUTY], who is going to call up an amendment this afternoon.

Mr. MUNDT. Mr. President——

Mr. PROUTY. Mr. President, I call up my amendment——

Mr. CLARK. If the Senator from Vermont would withhold for a moment, I think we could vote on the pending amendment within the next 30 seconds.

Mr. DIRKSEN. I should like to get his announcement made because I have told Senators to come into the Chamber——

Mr. CLARK. All right.

Mr. DIRKSEN. I stated that we had uniformly told the Members that there would be no record votes this afternoon. Thus, the Senator from Vermont will take only a moment to explain his amendment and to indicate that he will call it up on Monday next.

Mr. PROUTY. Mr. President, I have suggested that I could call up my amendment No. 38, which relates to the Select Committee on Small Business, but in view of the fact that Members have been advised that there would be no record vote this afternoon, I shall not call up the amendment until Monday next, if that meets with the approval of the distinguished Senator from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. I am sorry. I did not hear the Senator.

Mr. PROUTY. I wonder whether I could call up my amendment early in the session next Monday.

Mr. MONRONEY. Yes, of course, that would be perfectly all right.

Mr. PROUTY. I thank the Senator. I will be asking for a record vote at that time.

Mr. President, I ask unanimous consent that the names of 29 Senators cosponsoring this amendment be added and printed in the RECORD at this point.

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

The names of the cosponsors are as follows: Mr. ALLOTT, Mr. BAKER, Mr. BARTLETT, Mr. BURDICK, Mr. CARLSON, Mr. CASE, Mr. DOMINICK, Mr. FONG, Mr. GRUENING, Mr. HANSEN, Mr. HART, Mr. HATFIELD, Mr. HICKENLOOPER, Mr. INOUYE, Mr. JAVITS, Mr. KUCHEL, Mr. MAGNUSON, Mr. MCCARTHY, Mr. MCGEE, Mr. MCGOVERN, Mr. MILLER, Mr. MONTOYA, Mr. MUNDT, Mr. MURPHY, Mr. PELL, Mr. RANDOLPH, Mr. SCOTT, Mr. SMATHERS, and Mr. YOUNG of North Dakota.

The PRESIDING OFFICER. Who yields time?

Mr. CLARK. Mr. President, I am prepared to yield back the remainder of my time as soon as we can dispose of the pending amendment, if the Senator from Oklahoma is agreeable.

Mr. MONRONEY. I have promised to yield to the Senator from Florida [Mr. HOLLAND] who wishes to make a few remarks, and then to the distinguished Senator from South Dakota [Mr. MUNDT] would like briefly to be heard.

Mr. HOLLAND. Mr. President, I should like to be heard briefly on this amendment.

In the first place, I want to make it clear that while I am above the age of 70, I am not the chairman of a standing committee. It does not appear that I am apt to become the chairman of a standing committee; thus I am not speaking as a chairman either actually or potentially.

Before I begin my remarks, I should like to express my appreciation to the distinguished Senator from Pennsylvania for one of the provisions in his proposed amendment in which he says:

Nothing herein contained shall prevent a Senator who has attained the age of seventy from serving as a member of any committee.

I appreciate the graciousness of the Senator from Pennsylvania in that regard.

Mr. CLARK. The Senator was not in the Chamber when I modified the amendment to include a grandfather clause.

Mr. HOLLAND. I appreciate that, but this provision is broader than that, if I may say so. It indicates that the Senator thinks, in his wisdom, that a Senator who has passed the age of 70 might still be qualified to serve as a member of a committee, and I am grateful to the Senator for that.

Mr. CLARK. If the Senator had been in the Chamber, he would have heard my rather extensive argument in support of the position he has now taken.

Mr. HOLLAND. I am glad to hear that the Senator has taken that position. Again, I express my appreciation to him for his graciousness.

I thought that the Senator from Pennsylvania was in favor of majority rule. I thought that all during this debate, and I thought that during other debates which have taken place this year, before the Senate considered this particular bill. However, I find, from an examination of his amendment, that the Senator from Pennsylvania is not now in favor of majority rule.

I invite attention to the fact that in the amendment there are three provisions which provide for rule by a plurality instead of a majority. I am rather surprised to find my distinguished friend yielding ground on this particular conviction which I thought was so deeply ingrained in his thinking.

For instance, in the proposed amendment, on lines 6 and 7 appear these words:

All members of each such committee so appointed shall be appointed by one ballot.

That applies to members of standing committees, and then later these words:

A plurality of the votes cast shall be required for the appointment of members of each such committee.

In other words, a simple plurality would be followed, not in the choosing of one member but in the choosing of all members of all standing committees of the Senate. It appears as though the

Senator from Pennsylvania has departed very greatly from his conviction in favor of majority vote.

Mr. CLARK. The reason plurality is in there is that I did not think that minority members should elect the chairman. It could be only a plurality if we are going to have the chairman selected by majority members. If we let the minority vote, we might be in great trouble.

Mr. HOLLAND. I invite attention to the instances later, which I shall relate, which have to do with filling vacancies on the part of the majority, if the Senator will allow me to call attention to the next instance in which he adopts the plurality approach, on lines 13, 14, and 15, on page 2 of the proposed amendment, appear these words which have to do with the filling of a vacancy on the committee:

A plurality of the votes shall be required in the filling of a vacancy.

I think that shows rather clearly that the distinguished Senator has departed from a conviction which I thought he felt very deeply, that only by majority rule should actions be taken.

Then, on page 3 of the proposed amendment, appear these words:

When a permanent vacancy occurs for any reason in the chairmanship of a standing committee and of any other committee of the Senate—

That means the subcommittees. That means special committees. That means "any other" Senate committee, because that is what it says.

Continuing reading—

the vacancy in the membership shall first be filled (if necessary) as provided in paragraph 1 hereof . . .

Mr. President, paragraph 1 is the one containing the two provisions for the use of plurality votes to which I have already referred, so that, by reference, the wording on page 3, which happens to be in section 2 of the proposed amendment, again adopts the plurality provision, not only with reference to standing committees but also with reference to subcommittees of standing committees and with reference to special committees; in fact, with reference to "any other committee of the Senate."

Mr. CLARK. The provisions respecting pluralities, which my good friend from Florida has just read, merely incorporate the present provisions of rule XXIV of the Senate. They make no change in existing provisions, which I think have been in effect for a great many years. It was unnecessary to change that language in order to achieve the two objectives I have in the rule; namely, first, election by secret ballot, and second, the age 70 limitation. The language read by the Senator from Florida is in the present rule.

Mr. HOLLAND. Well, Mr. President, I invite attention to the fact that wherever this language might occur before, the distinguished Senator has adopted it and placed it in his amendment, and has on three occasions in the amendment departed from what I thought was a fixed conviction on his part that majority rule should prevail; because he has, in these three provisions, applied the principle of choice by plurality to fill committee posts.

Mr. President, I hope this amendment will be defeated, because it so clearly strikes at the very warp and woof of the Senate structure and the committee structure and would, in my judgment, very frequently preclude the Senate from taking advantage of the greatest experience and wisdom which it might have among its Members, and the greatest experience in any of the committees as to their field of legislation.

I hope the amendment will not have the approval of the Senate.

Mr. CLARK. Mr. President, I am prepared to yield back my time.

Mr. MONRONEY. The Senator from South Dakota wishes a brief minute or two.

Mr. CLARK. Mr. President, will the Senator yield for 30 seconds? As the Senator from Oklahoma knows, I have a most important committee meeting, starting right now. I would like to ask unanimous consent that, even though I am not present when the vote on this amendment is taken, it may be noted that I would have voted in support of it.

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

Mr. MONRONEY. Mr. President, I yield such time to the Senator from South Dakota as he may require.

Mr. MUNDT. Mr. President, may I inquire how much time the Senator has remaining?

The PRESIDING OFFICER. The Senator has 12 minutes remaining.

Mr. MUNDT. I shall not take over 5 minutes on the amendment. I want also to speak about other Senate business.

I join with Senators who have spoken in opposition to the Clark amendment. We have had discussion about the seniority problem I guess as long as we have had seniority in Congress. The same problems and suggestions have been considered by the committees and by Congress and by the public. It seems to me the solution suggested now by the Senator from Pennsylvania is far less helpful and far less prudent than many proposed correctives and will result in far more problems than it cures. It shows the danger of the Senate agreeing to an individual concept of an individual Senator when dealing with matters that have been before the Senate and have been precedents for many, many generations.

I am positive that this approach to the selection of a chairman of a committee by election will lead to crusades of personal logrolling that will result in far less effectiveness and efficiency, far beyond what occurs when occasionally there is a chairman with whom one may disagree and would like to displace.

I know of no great number of cases—certainly, I know of none since I have been here—in which a chairman, because of his seniority, has exercised arrogance or superciliousness or undesirable power. When such an occasion does happen, such as the recent case on the other side of the Capitol, Members of either body have a way to correct it. When Members feel that, because of old age, they cannot engage in crusades or continue as chairmen, there is a way for them to step down. We had an example of that in our own body, when the then distinguished Senator from Rhode Island, Senator Green, voluntarily stepped down as chairman and turned over those arduous duties to another Senator as chairman, but continued to serve on that committee.

We shall create more situations and more problems than we could conceivably cure by adopting the Clark amendment. I hope the Senate will vote it down.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. MONRONEY. Mr. President, I understand that all time has expired. The distinguished senior Senator from Pennsylvania [Mr. CLARK] has asked that it be announced that, if he were not compelled to be at an important committee meeting, he would vote in favor of his amendment.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Pennsylvania.

The amendment was rejected.

SENATOR RANDOLPH CRITICAL OF CUTBACK IN HIGHWAY PROGRAM—HEARINGS ON FREEZE BEGIN MONDAY, FEBRUARY 27

Mr. RANDOLPH. Mr. President, on January 23, I made extensive remarks in the Senate with regard to the highway freeze. I stated then, that the Committee on Public Works would hold hearings in late February. Today I am announcing that those hearings will commence on Monday, February 27. They will continue for as long as it is necessary to determine the full implications of this decision. Committee members desire to ascertain the true nature and impact of the cutback. We seek a full understanding of the ramifications of the decision, and in light of that knowledge, suggest such remedial action as may be appropriate.

During the course of these hearings, it is our intention to hear from the Director of the Bureau of the Budget, from the Chairman of the President's Council of Economic Advisers, from the Federal Highway Administrator, as well as from representatives of the State highway departments, the highway construction industry, the highway users groups, and that segment of organized labor concerned with highway construction. Members of this body and of the House will also give us their counsel.

I am concerned with the slight reference which was made to the deferment in the President's budget message of January 24. I am even more disturbed that no reference was made to it in the Economic Report of the President. My impression of that report is that the national economic situation as described does not indicate the need for continuing such a drastic policy.

What authentic information I have been able to gather indicates that none of those who are officially responsible for the highway program were involved in the decision nor were they consulted about it. The decision, as far as I have determined, was made by those respon-

sible for fiscal policy rather than highway policy, and I have serious misgivings that this may have involved some antihighway action. I hope that I am wrong.

Questions have been raised on the timing of the announcement, the authority to make the cutback, and its duration. Further complicating the freeze is the fact that it came within 2 months of the enactment of the Federal-Aid Highway Act of 1966 which involved, in part, the administration's request for substantially increased highway authorizations—increases which need not have been made in view of the general economic situation—increases which have intensified the size of the cutback.

The deferment has threatened to stall a highway program which has been underway more than 10 years. We had reached the midpoint in its development. The schedule had been maintained because State highway departments, the construction industry, and the Congress had responded to the repeated calls by Federal officials for stepped up action. Large sums of money were invested in equipment and manpower in response to the congressional injunction that this highway program be completed as expeditiously as possible.

This freeze has entailed a substantial waste of time and effort. It has also resulted in bending, if not breaking, agreements between the Federal Government and the States and between the Government and industry and labor. My concern, also, stems from the adverse effect this action will have in terms of highway safety. It has been said many times, but it bears repeating—the Interstate System, when completed, will save 8,000 lives a year. The Interstate System highways where operating now have a fatality rate of only 2.9 per 100 million miles as compared to a rate of 5.7 for all other Federal-aid highways. The net result of the slowdown in construction is to hurt the very people who are paying for these highways.

This program was specially authorized and funded by the Congress. It was separated from general programs and funds of the Federal Government to meet the specific and continuing needs of the Nation for an effective network of highways. Even at the current level of authorization, we are failing to keep pace with our national highway needs. The return on this public investment in terms of economic development and safety is too great to be dissipated by short-term reverse actions. This program was designed as an all-out-effort program; it was never intended as a countercyclical tool.

I do not criticize the President or his advisers for their concern about the economy and the terrible erosion of national well-being that inflation can cause, but I do feel that this action was an overreaction.

I know the members of our committee will join with me in a diligent search for answers to these troublesome questions.

We hope that during the hearings, which will begin on Monday, February 27, many Senators will arrange their schedules so as to be able to appear before our committee when it considers this subject. We will, of course, welcome statements by Senators who find it impossible to appear in person.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield.

Mr. HOLLAND. The Senator has been making a very useful and important statement.

I ask the Senator if he is able to approximate the length of delay in the completion of the Interstate System which is involved in the proposed cutting of Federal funds.

Mr. RANDOLPH. It is difficult to set a date, but it would seem to me that it would involve a delay of approximately 2 years. We had hoped to complete the system, as the able Senator recalls, by June 30, 1972, as required by statute.

Mr. HOLLAND. Then, in the best judgment of the Senator at this time, it would be sound to say that the proposed cut in Federal appropriations and Federal participation in the construction of the vastly important Interstate System would result in a postponement of 2 years in the completion of that system and would fix the completion date at some date in 1974?

Mr. RANDOLPH. I think that would be a reasonable approximation of the time for the completion of the 41,000-mile system.

Mr. HOLLAND. I thank the Senator, and I think that people will look more carefully at this matter when they realize the practical aspects of it.

Mr. RANDOLPH. Mr. President, I add that the Senator from Louisiana [Mr. LONG] very properly within the past year admonished us to complete this program if we could, prior to June 30, 1972.

The Senator from Louisiana stated that he had felt that there was a need for the completion of this Interstate System not only for reasons of national defense and continued economic development, but also because of the lives that would be saved by accelerating the construction schedule of this system.

I recall reading his penetrating statement on this subject. Rather than being able to move the program more quickly to its fruition, we are now faced with the reverse situation.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield.

Mr. HOLLAND. Mr. President, at the very time when we are trying to bring about a higher degree of automobile safety and a higher degree of highway and other safety having to do with travel by automobile, does it not seem to be completely inconsistent for us to stretch out by 2 years the completion of this important Interstate Highway System?

Mr. RANDOLPH. Yes, I am in agreement. Of course, Senators have raised the safety feature. We have said many times—and it certainly can be repeated now—that we believe that when the Interstate Highway System is completed, 8,000 lives a year will be saved. The interstate highway systems now in operation have a fatality rate of only 2.9 per 100 million miles, as compared with a rate of 5.7 for all other Federal-aid highways.

The net result of this slowdown certainly will be to hurt the very people whom we are attempting to save—the people who are paying for this.

Mr. HOLLAND. It would be costly in terms of American lives.

Mr. RANDOLPH. The Senator is correct.

Mr. HOLLAND. I should like the record to show whether or not this slowdown results from an inadequacy of the trust fund set up for this particular purpose, or from some other reason.

Mr. RANDOLPH. The slowdown has nothing to do with the trust fund.

The President has indicated the possible deferment of another $400 million. It has not been ordered, and I hope that it will not be.

However, the trust fund is not involved. The trust fund can support the program as currently authorized.

Mr. HOLLAND. In connection with this slowing down of completion, there is no intention of cutting down the amount of the contribution made by the traveling public through their payment of gasoline taxes and other taxes to the trust fund?

Mr. RANDOLPH. There is no slowdown in that respect—the public will continue to pay.

Mr. HOLLAND. In other words, the people traveling on the highways would continue to pay the same amount per gallon and per tire, and so forth. That amount would be adequate to carry through the Interstate Highway System to completion by the planned time, in 1972; and at the same time, while paying that whole contribution, they would realize that they were having postponed for 2 years the completion of the work done by the fund to which they were contributing, and to which they were contributing adequately to carry it out to completion by the planned time.

Mr. RANDOLPH. The Bureau of Public Roads estimates that the costs are rising because of increases in the cost of materials and labor and other factors such as design changes and added lanes, which will require a larger amount of money to complete the system. If we slow down the completion for 2 years, the situation will become worse, because these increases in cost will be compounded. From that standpoint, we do face a shortage. But the trust fund itself is solvent.

Mr. HOLLAND. If the Senator will allow me to do so, I should like to make this brief statement: The contemplated action does not apply equally. There are some areas, large areas—in my own State there are very considerable areas—where the Interstate System is completed and where people traveling on that mileage have protection, safetywise, that goes with travel on a completed Interstate System. There are many other areas—not only in my State, but also, I am sure, all over the Nation—where, for one reason or another, certain mileage in the system has been postponed for building to near the end or at the very end of the completion of the system.

Does not the Senator agree with me that people living in those postponed

areas, though they are paying their full contribution in taxes, will necessarily be the ones who will pay the penalty of having less safe highways to travel upon until the time of final completion of their part of the interstate highway?

Mr. RANDOLPH. I agree with the Senator. Those people will suffer in greater degree, as the Senator has so correctly indicated. This is not fair; this is not equitable.

I am grateful for the contribution that the Senator from Florida has made to this subject this afternoon. I express the hope that other Senators from time to time, reflecting the seriousness of this situation, will address themselves to this problem.

Mr. HOLLAND. Mr. President, I am grateful that the distinguished Senator has brought up this subject. He has more experience and has more knowledge on this particular subject than any other Member of the Senate. I believe that the Senator has made a great contribution. He has made it clear that a serious question of judgment is involved in this matter which every Senator will be confronted with when the matter comes on for action.

I thank the Senator.

Mr. RANDOLPH. I thank the Senator from Florida.

WILL 50,000 MORE PEOPLE DIE ON THE NATION'S ROADS THIS YEAR?

Mr. HARTKE. Mr. President, I would like to congratulate the distinguished chairman of the Senate Public Works Committee for his plans to hold hearings, February 27, in support of the American people who want to see the 50,000-a-year death rate on our highways reduced dramatically.

Senator RANDOLPH wants to see more miles of safer interstate highway built and that the appropriations we authorized from the highway trust fund are spent as, we, the Congress intended.

At the close of the second session of the 89th Congress, we prided ourselves as the Safety Congress. Rightly so.

Four billion dollars was authorized and appropriated from the highway trust fund to build more miles of the safer interstate highways, better secondary roads and to make spot improvements of death curves.

We authorized the new Highway Safety Agency: for vehicle safety standards guidelines; for research and development grants for safety features on the cars and roads; for better, more meaningful statistical data so that we could determine what additions and corrections to make in highway engineering, in motor vehicles, and toward developing more responsible drivers.

We set up the new Department of Transportation to centralize the functions for safer highways, cars, and drivers and to guide us toward solutions for the mass transit problems.

Now we look at the situation at the beginning of the 90th Congress.

The Bureau of Public Roads has cut back highway trust fund allotments to the States by $700 million and another cutback of $400 million is threatened. Carryover funds have been frozen from States use. The States are stymied in their plans for interstate highway construction—some by 17½ percent, others by as much as 53 or 71 percent.

The budget for the new traffic agency is cut so that nowhere in the Federal Government are traffic death or injury statistics kept. The new Agency is torn by strife from within over the new vehicle safety standards.

The new Department of Transportation with Secretary Alan Boyd and Assistant Secretary Lowell Bridwell—able men—are shackled in their attempts to perform the job the Congress intended them to do.

The Secretary of the Treasury and the Director of the Budget Bureau are now before the Congress with pleas to raise the legal limit on the debt from $330 billion to $337 billion. The Treasury has borrowed from the highway trust fund. As of January 31, 1967, some $38.4 million of trust funds were in Treasury special obligations, which bear the same interest as the debt and thus must be computed in the need to raise the debt ceiling.

There are those who would have the public believe that the highway construction cuts are to help pay the whopping cost of the war in Vietnam—some $56,000 a minute. But the trust fund cannot be used for defense appropriation. Another excuse for cutback in highway construction is to fight inflation. What inflation? We have no shortage of goods and services relative to the amount of money in circulation.

We do not have to cut back highway construction because of the war in Vietnam. If we are serious in our intentions to help save some of those 50,000 people who are killed on the highways or serious about keeping some of 1.7 million persons in good health who are maimed each year in traffic accidents, then, we must allow the States to go ahead with their plans for more interstate construction, spot improvements and better secondary roads. The highway trust fund was set up for that purpose and we want it used to save lives and property.

My own State of Indiana lost 53 percent of their share of Federal highway trust fund allocations—some $66 million in carryover funds and $15.3 million in new allocations. Even some of the $72 million we were allowed had strings—not to be spent until the end of the first quarter.

The situation is so drastic in Indiana, that our executive director of the highway commission, Martin L. Hayes, came to ask our entire delegation for help in restoring some of the funds.

Some of the Hoosier highway projects stopped from construction were the vital tieup routes to link completed portions of interstate highways.

It is my sincere hope that we can clear the air and restore these unnecessary cuts to our States. Again, I congratulate Senator RANDOLPH for his move to help a new Department and to provide us all with policy guidelines in the transportation field.

Mr. BAYH. Mr. President, I wish to commend the Senator from West Virginia for his decision to schedule hearings on the cutback in Federal aid to highway funds. The President's announcement of the reduction on November 23 has aroused a great deal of public and private concern for the safety of the American motorist.

The November cutback of 17.5 percent, coupled with the less publicized but equally important "freeze" on all carryover money, has resulted in a new target date for the completion of the all-important Interstate System. The due date, originally set for 1972, has now been pushed back to 1974. If the present policy is continued, as contemplated, through the first quarter of fiscal 1968, it is possible that it may not even be completed at that time.

What does this mean in terms of human lives—for, after all, that must be the ultimate criterion of this as well as any other program? In 1966, according to the National Safety Council, there was a staggering total of 54,000 highway deaths—more than seven times as many deaths as the United States has experienced in the bloody jungles of Vietnam—while an additional 1,800,000 Americans were injured in highway accidents. That averages out to almost 150 Americans dying daily in the carnage on our Nation's roads.

The answer to this terrible slaughter is not a freeze in highway construction, but more and better highways. It has been estimated that for every 5 miles of newly constructed highway we can save one life. Every effort must be made to save that life and many others like it. I am particularly concerned about this cutback, and the rumored cutback of an additional $400 million, because it has affected Indiana to a much greater extent than the 17.5 figure indicates. This results from the "freeze" on more than $55 million which Indiana would have had available to it from its unobligated 1965 and 1966 money. Indiana's effective cut, therefore, amounts to more than 50 percent.

Only the other day, representatives of the Indiana State Highway Commission came to Washington to present their case—and it is a well-documented case. As a result of this meeting the whole Indiana congressional delegation, Democrats and Republicans alike, have agreed to sign a letter requesting the President to review his highway decision.

In view of this, Mr. President, I am very pleased by the decision of the distinguished chairman of the Public Works Committee to hold hearings on this important issue. This action will permit Senators, State highway officials, and other interested parties to testify on the serious effect which such a severe curtailment of funds could have.

NEW YEAR PAUSE OFFERS OPPORTUNITY FOR NORTH VIETNAM TO GIVE PEACE SIGN

Mr. BOGGS. Mr. President, it is evident that the atmosphere concerning prospects for ending the war in Vietnam is a little more hopeful now than it was a few weeks ago.

Admittedly, the grounds for this hopefulness are slight indeed; and we should be on guard against excessive encouragement of such hope simply because there

is such an overwhelming wish that the war be ended. This could lead to a great disappointment.

To my mind there is not much point in discussing how or why we are in Vietnam. We are there. We have valid reasons for being there. Although we have made mistakes in the conduct of our support of the people of South Vietnam, the fact remains that our intent is, first, to help them repel aggression; and, second, to help them create a stable atmosphere in which they can choose their own national destiny.

Former Ambassador Reischauer said it well in testimony before the Foreign Relations Committee on Tuesday when he declared he understands the administration's policy to be "to bring the war to as speedy an end as possible, without resorting to either of the dangerous alternatives of withdrawal or major escalation." That is also my understanding of our position in Vietnam.

Now we are faced with this situation:

First, North Vietnam, which has been feeding the fires of aggression in South Vietnam, apparently is beginning to recognize that the U.S. military might aiding South Vietnam will not be beaten.

Second, North Vietnam, which has had the physical and moral backing of her giant Communist neighbor to the north, Red China, now looks over her shoulder to see a giant convulsed by internal chaos. This raises obvious doubts that Red China could be of any real assistance if North Vietnam felt compelled to ask for such assistance.

Third, North Vietnam, despite the above conditions, is reluctant to change its course. And if Hanoi wants a way out as much as is suspected, it also wants a way out which enables it to save face.

From our point of view, our aim of seeing the war ended far transcends any hesitation to act in such a way as to allow North Vietnam to save face.

The current emphasis on possible grounds for negotiations toward peace revolves around the condition North Vietnam has established that bombing of her territory be halted.

For our part we are requiring—and rightly so—that this step should only be taken if it offers some reasonable hope that it would lead to progress toward peace.

A middle ground offers itself in the agreed-upon cessation of military action which is to begin February 8 in the celebration of the Vietnamese lunar New Year holiday of Tet.

South Vietnam has agreed to a 4-day halt to fighting. North Vietnam has suggested a 7-day halt.

If North Vietnam goes beyond the 4 days, it is my view that we—and by "we," I mean South Vietnam and its allies—should do likewise.

If the cessation of hostilities continues to the seventh day, we can hope that North Vietnam will realize that the tangible sign or signal needed to indicate her willingness to pursue peace will be simply to let the eighth day go by as well without sending men or supplies south of its border.

If such a day-by-day cessation continues, this could lead either to a negotiation table, which would be the better way for settling the issues, or simply to a withering away of the military action against South Vietnam.

One other fact which might well be giving Hanoi pause is the responsible way the South Vietnamese Constituent Assembly is proceeding with plans for an elected government. Certainly this is also heartening to us. We want to see the people of South Vietnam able to stand on their own feet and conduct their national affairs with diminishing support from other nations. An elected government will add substantially to progress toward this goal.

It is my fervent hope, Mr. President, that neither North Vietnam, nor South Vietnam and its allies, will let this great opportunity for a start toward peace go by.

CREDIBILITY GAP?

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that I may proceed for such time as I may require.

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

Mr. LONG of Louisiana. Mr. President, much has been said about an alleged credibility gap in the White House. Up to this point, I am frank to say that this Senator has attended most of the Democractic leadership meetings and most of the bipartisan leadership meetings, and that the President has not withheld any information whatever that any person had any right to expect. Granted, certain information involving defense secrets has been given out only on a need-to-know basis but, even so, the information made available has far exceeded that which we knew under three previous Presidents who were not accused of being deceitful.

Against that background, we now have before us the critical test of the credibility of a President.

The President of the United States has steadfastly and for several years proclaimed himself an advocate of low interest rates. This is an area in which the consumers and taxpayers can be protected or victimized the greatest by Government influence over money and credit.

Notwithstanding President Johnson's declarations in favor of lower interest rates, interest rates under Johnson have gone higher than at any time under Coolidge, Hoover, Roosevelt, Truman, Eisenhower, or Kennedy. The consumers, taxpayers, small businessmen, homebuilders, homeowners, farmers have all suffered from the highest interest rates in 40 years.

Fourteen months ago, by a one-vote majority, the Federal Reserve Board set in motion a tight-money, high-interest-rate program which has enriched moneylenders by tens of billions of dollars while squeezing unmercifully the great majority of Americans. The spokesmen for the hike in interest rates on that occasion as well as the previous interest rate increases under Eisenhower and Kennedy was Board Chairman William McChesney Martin.

We were told at the time that President Johnson and Secretary of Treasury Henry Fowler had pleaded in vain with Mr. Martin that he should not so act until the Johnson administration had prepared its budget and was therefore in position to suggest a policy mix more in line with the public interest.

As the next chairman of the Finance Committee and assistant Democratic leader of the Senate, I for one, was told that the President's first impulse was to fight the Martin one-man majority somewhat as President Andrew Jackson had fought the Bank of the United States. It seemed that the President's advisers were urging a softer course.

Thereafter we were shown on nationwide television a brief encounter at the LBJ Ranch wherein President Johnson conceded that Mr. Martin was in command of the Nation's supply of money and credit, and that President Johnson felt that he had no choice other than to go along. After this meeting we experienced the highest interest rates and the tightest money squeeze in 40 years.

Now comes the credibility test. Ninety percent of Americans blame President Johnson for the high interest rates and tight money from which they have suffered. The Johnson administration has suggested that it could do little to influence the Federal Reserve policy which caused that situation. William McChesney Martin is the leader of the high-interest-rate group on the Federal Reserve Board. The large moneylenders are clamoring for the reappointment of their idol.

If President Johnson reappoints William McChesney Martin, then neither of them will ever convince an ordinary citizen that the train of events, the increase in interest rates, the tight-money squeeze, the television episode at the LBJ Ranch, and all the results that flowed from all of these events were not parts of a plot in which the President of the United States was a participant.

A couple of weeks ago I shared the platform with Robert Roosa, formerly of Treasury, now with a New York investment firm, before the New York Economic Club, a group which can speak for big money as well as any in America. The most popular thing Mr. Roosa said was that the Nation was most fortunate to have William McChesney Martin advising four Presidents and that he hoped it would always be that way. At that point there was tumultous applause.

I have long since ceased to quarrel with businessmen who seek Government policies that favor their pocketbooks even though such policies injure 180 million of 190 million people. New York bankers, insurance company executives, and everyone else in positions to benefit from a policy that skins the poor to fatten the rich have every right to stand up and shake the rafters with cheers for the reappointment of the man who stands for such a policy.

Yet a passage which was read at the President's prayer breakfast yesterday to a large audience is appropriate:

Matthew 6: 24: "No man can serve two masters for either he will hate the one, and love the other; or else he will hold to the

one and depise the other. Ye cannot serve God and mammon."

The New York Economic Club, the bankers and large money lenders are not the only people wise enough, sophisticated enough to know what the reappointment of William McChesney Martin means.

From the point of view of those of us who fought for Johnson for President, the real test of the President's credibility has arrived.

The choice between serving the many who, for the most part, voted for him, and serving the few, most of whom voted against him, is clearly before the President.

I am frank to say, Mr. President, that the reappointment of Chairman William McChesney Martin would undermine the confidence of practically all Democrats who are sufficiently informed to know what is going on.

It is my fervent hope that the President of the United States who has stood so gallantly against Communist aggression, will measure up to this choice between the people and the moneylenders. The appointment of some man whose background demonstrates that he has the interest of the little people of America at heart to replace Mr. Martin would assure continued confidence of the kind of people who usually vote Democratic.

I ask unanimous consent to place in the RECORD excerpts from the Democratic Party platforms of 1960 and 1964 and from statements made by Lyndon Johnson, John F. Kennedy, and Harry Truman.

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

EXCERPTS FROM DEMOCRATIC PARTY PLATFORM OF 1960

As the first step in speeding economic growth, a Democratic President will put an end to the present high interest, tight money policy.

This policy has failed in its stated purpose—to keep prices down. It has given us two recessions within five years, bankrupted many of our farmers, produced a record number of business failures, and added billions of dollars in unnecessary higher interest charges to government budgets and the cost of living.

The Republican high interest policy has extracted a costly toll from every American who has financed a home, an automobile, a refrigerator, or a television set.

It has foisted added burdens on taxpayers of state and local governments which must borrow for schools and other public services.

It has created windfalls for many financial institutions.

The $9 billion of added interest charges on the national debt would have been even higher but for the prudent insistence of the Democratic Congress on maintaining the ceiling on interest rates for long-term government bonds.

DEMOCRATIC PARTY PLATFORM OF 1964

It is our national purpose, and our commitment, to continue this expansion of the American economy toward its potential, without a recession, and with continued stability, and with an extension of the benefits of this growth and prosperity to those who have not fully shared in them.

This will require continuation of flexible and innovative fiscal, monetary and debt management policies, recognizing the importance of low interest rates.

EXCERPTS FROM STATEMENTS BY PRESIDENT LYNDON B. JOHNSON

STATE OF THE UNION MESSAGE, JANUARY 10, 1967

Our greatest disappointment in the economy during 1966 was the excessive rise in interest rates and the tightening of credit. They imposed very severe and very unfair burdens on our home buyers and on our homebuilders and all those associated with the home industry . . .

And I pledge the American people that I will do everything in a President's power to lower interest rates and to ease money in this country. . . .

MESSAGE TO CONGRESS, SEPTEMBER 8, 1966

Every effort will be made to ease the inequitable burden of high interest rates and tight money. . . .

I urge the Federal Reserve Board, in executing its policy of monetary restraint, and our large commercial banks to cooperate with the President and the Congress to lower interest rates and to ease the inequitable burden of tight money.

AUGUST 24, 1966, NEWS CONFERENCE

The Administration wants as low interest rates as we possibly can have.

So far as the Administration itself telling a banker or a loan man how much he can charge . . . it has no such authority.

Acting upon the advice of a former President and Secretary of the Treasury, we created the Federal Reserve System and it is an independent board that has charge of the discount rate and there has been some influence on interest rates. But the President, as such, or the Administration, as such, cannot mash a button and tell people to charge or charge less.

ASSOCIATED GENERAL CONTRACTORS MEETING IN AUSTIN, TEX., DECEMBER 15, 1959

It is not soundness—it is madness—when we hack away at the pillars of the future in the name of a shortsighted fiscal policy. Tight money can only mean at a tight grip of stagnation about the windpipe of our future.

TEXAS PRESS ASSOCIATION, SAN ANTONIO, FEBRUARY 1957

The "hard money" market of the present day has reached into the pocket of every consumer, every businessman and every taxpayer in our country. It has meant an extra penalty of one billion, two hundred million dollars a year for our federal taxpayers. It has meant an extra penalty of seven hundred and fifty million a year for those who pay taxes to state, local and municipal governments. It has meant a substantially increased penalty for those who carry private debt—and the experts estimate that if it is unchecked, the penalty will amount to seven billion dollars a year.

SENATE FLOOR, MARCH 11, 1958

As a result of high interest rates, and the impounding of funds Congress has authorized and appropriated, there was forced upon the people of the country a restrictive monetary policy which has resulted in great damage. Unless we cut high interest rates, loosen up the money market, refuse to pay high premiums to money lenders, and pass some legislation needed by the whole Nation, we shall find ourselves in a situation perhaps not so bad as in 1932, but better only because of some of the cushions we have provided for the economy.

EXCERPTS FROM SPEECHES OF FORMER PRESIDENT JOHN F. KENNEDY

DETROIT, SEPTEMBER 5, 1960

And finally, if we are going to grow the way we should grow, we must adopt fiscal policies that will stimulate growth and not discourage it. Every American who financed a home, who bought a refrigerator, who bought an automobile, bought a television set, has suffered from this high interest rate policy. Those of you who bought a home for $10,000 with a 30-year mortgage are going to pay out $3,300 more for that house than you would have paid in the Truman administration. This kind of growth that I am talking about is not antibusiness. It is pro-business. It is not antiprivate enterprise. It is pro-private enterprise, and it is pro the American people.

SALEM, OREG., SEPTEMBER 7, 1960

Second, we will reverse the disastrous high interest rate-tight money policies of the Republican Party. These policies have made it impossible for millions of Americans to buy their own homes—and they have caused a recession in the housing industry. By lowering artifically high interest rates we will stimulate the home construction which a growing America requires.

CHARLESTON, W. VA., SEPTEMBER 19, 1960

Secondly, we will stimulate private investment in a growing America by eliminating the artificial restrictions which this administration's high interest rate-tight money policy has placed on the growth of our economy. We spend $4 billion a year on interest on our debt more than we did 10 years ago, and every family that buys a car, a television set, an automobile, or a house pays interest on that additional debt. I think we should unleash the economy rather than attempting to restrict it if we are going to put our people back to work [applause].

STATEMENT OF FORMER PRESIDENT HARRY S. TRUMAN, AUGUST 28, 1966

In response to the many kind and warm messages, expressing concern about my recent illness, I am glad to report that I am making satisfactory progress and expect that in the coming weeks I shall be able to resume my daily office routine.

In the meantime, I have tried to keep up with the news of the world, as best I could. There was little comfort for me in what I read.

There is a matter about which I am so deeply concerned that I feel it has become necessary for me to speak out.

A drastic increase in interest rates has been imposed on the American economy. A warning is current that higher rates are yet to come. We are told that this action was necessary in order to forestall inflation.

Of course, no one wants runaway inflation. But, I think it is fair to say that that kind of inflation is no longer possible in the United States.

What is more likely to happen is that we will bring on a precipitous deflation, if we persist in high interest practices. The result could be a serious depression.

These higher interest rates were in fact an added burden on all governments—Federal, state and local. The added interest costs end up as a further tax on the consumer.

We know from long experience that a drastic rise in interest rates works a hardship on the consuming public. It only benefits the privileged few.

We have had problems with the nation's money management through many critical periods in our history. Measures had to be taken by the Government to correct recurring abuses.

The nation's monetary structure was reorganized to be administered in the public interest through the Federal Reserve System. I am led to ask: "Is it being so administered now? Is it in the true sense a Federal system?"

During my Administration, we faced a similar threat of an arbitrary raise in the rates of interest. This was at the time of the Korean conflict.

I received notice of an impending move to confront the Government with a demand for

higher interest rates of Treasury Bond issues, as well as certain other restrictive conditions, to be imposed by the Federal Reserve on the Treasury.

This would have meant an imposition of an additional nonproductive tax burden on the public—and we rejected it. The Government prevailed.

I, rarely, these days, take up my pen to make comment on matters which I am confident are receiving the concern and attention of the Administration. But, I thought that this was a matter which had reached a point where it became necessary for me to speak. There is yet time to remedy the situation.

LEGISLATIVE REORGANIZATION ACT OF 1967

The Senate resumed the consideration of the bill (S. 355) to improve the operation of the legislative branch of the Federal Government, and for other purposes.

Mr. LONG of Louisiana. Mr. President, S. 355 should be recommitted to committee. I recognize that the distinguished Senator from Oklahoma and his committee members have worked hard and long to produce what would be called the Legislative Reorganization Act of 1967. Yet, I support recommittal because many provisions in the measure are confusing and unclear, others negate effective and proven procedures presently employed by committees or by the Senate, and still others do exactly the opposite of what I thought the act was intended to do, that is, to improve the efficiency and productiveness of the legislative machine. If the bill is recommitted, I would hope that the committee gives serious consideration to the objections being raised here on the floor.

Last year, when the Special Committee on the Organization of the Congress conducted hearings on its bill, I was one of the few Members of the Senate who responded to the committee's invitation to appear and present views on the measure. I am happy to say that some of my recommendations were taken cognizance of by the committee which altered last year's proposal and which incorporated some of the suggestions in the bill that is before us today. It is my understanding that other Members of the Congress had a similar impact on the committee and that various provisions originally called for by the committee were either deleted or sharply modified. For example, the division of the Labor and Public Welfare Committee into two was killed and the strict prohibition on proxy voting in committees was cut back. I am happy that the special committee has been so responsive to the thoughts of its colleagues and undoubtedly it is willing to make changes to accommodate new suggestions being propounded each day; but I do not believe that it can properly translate all of its second thoughts into changes in S. 355 right here on the Senate floor. Recommittal is the solution. It will permit the committee to place in proper context all of the second thoughts it must be having as a result of the enlightening discussion being conducted on the floor.

So, in order to show why I feel the bill should be recommitted, and in order to lay before the special committee for its further consideration my problems with the bill, I shall spend a few moments going over some of the provisions in the measure with which I still find fault and which I feel should either be deleted or changed.

COMMITTEE PROCEDURE

To begin with, section 102(b) of the bill calls for committee meetings to be open unless a majority vote of the committee orders an executive session. This rule would work havoc with the Senate Finance Committee and any other committee of the Congress that has occasion to investigate into matters of taxation and the individual returns of taxpayers. Section 6103(d) of the Internal Revenue Code says that any such work of a congressional committee must be done in executive session in order to protect the privacy of the individual's tax return. Suppose a committee meeting were to be held to consider a matter in which the tax liability of an individual was an integral part. Suppose a majority vote to hold the meeting in closed session were not forthcoming for any of a variety of reasons and thus compliance with this act required the meeting to be open to the public. The committee would be in compliance with the Legislative Reorganization Act but it would be in violation of provisions of the Internal Revenue Code. Or, the Internal Revenue Service may be prevented by law from letting us have the documents we need. That sort of dilemma might confront the Finance Committee frequently.

As part of that same section 102(b), there is required at the conclusion of each committee meeting a public announcement of the results of the rollcall votes taken in that meeting. This will work against the public interest rather than help it. It may be that on a particular measure there is strong lobbying by a powerful interest group.

It may be politically advantageous for a Senator to vote in support of that group; however, it may be in the public interest for him to vote the other way. He can cast a vote in the people's interest much more easily if he knows the vote will not be made public, but if the vote is to be announced he is more likely to cast the vote where he knows it will do him no harm politically, even though it may do severe damage to the general public.

PROXIES

Section 102(d) of S. 355, as reported by the special committee, prohibited the use of proxies in committee. However, the committee had one of their second thoughts on this provision when the harshness of its operation was brought to their attention. They recommended a floor amendment that was adopted to permit proxy voting in committee except on the vote that reports a measure from the committee. I would think that even this refinement is too severe a rule and does nothing to help the cause of good government. In Finance Committee we require a majority to be present when we report legislation, but we do permit proxies to be cast. I point only to the case where a Senator has for years advocated a certain position on a measure only to find that when the measure is finally voted upon, he is incapacitated perhaps, or very ill and thousands of miles away from Washington. There is no question as to which way he would vote if he were at the committee meeting. To deny him the right to vote by proxy is patently ridiculous; and, if it is a close vote that requires the absent Member's vote to break a tie, decisions are postponed and the legislative machinery bogs down. What such a procedure as this does here in the latter half of the 20th century is to make Congress, already labeled as an archaic institution appear even more so. It means that we do not even recognize the 100-year-old invention known as the telephone.

Thus, I think that proxies should be permitted even on the votes to report a measure from committee. However, to further amend this particular provision on the Senate floor might cause parliamentary problems, so the bill should be recommitted and a committee given the power to make the proper and complete modifications of defects observed in the bill as originally reported or even as thus far amended on the floor.

Mr. President, in that connection, as floor manager of committee-reported bills, and as acting majority leader in the absence of the majority leader himself, I have had notice served on me from time to time that a Senator would be absent and did not wish us to vote on a measure until he returned; and we therefore had to put the matter over, to postpone it, or to wait for the Senator to come back because he wanted to be recorded on the vote.

The particular provision of which I am complaining sets the stage for committees to be confronted with that same problem; namely, a Senator who wants to vote but is absent and requires us to wait until he returns, perhaps a matter of several days, before we can act, although it is clear how that Senator would vote and that anyone could talk to him on the telephone to determine how he wanted to be recorded on any particular matter that we were voting upon.

Section 102(d) also requires that the report of a committee on a bill should include a tabulation of the votes cast for and against the bill. Such a requirement is another deterrent to voting in the public interest just as I have previously described in commenting upon the requirement that each day's rollcall votes in the committee should be publicly announced.

Furthermore, many times, in voting on a measure, the committee, after much study, debate, and consideration of arguments votes on amendments, reconsiders them, reconsiders them a second time, and then reconsiders them a third time. The procedure in the Finance Committee is to reconsider any amendment as many times as anyone wants to. It serves no particular purpose that we announce the vote every time we vote on something when there are important votes which, after more thorough study of the matter, Senators could say they would like to vote on differently.

COMMITTEE REPORTS

In a bill which is supposed to streamline Congress and expedite proceedings

in the legislative branch of the Government, section 102(e) does just the opposite with regard to committee reports. The first step in this section's slowdown technique is to require a committee to submit its proposed report to each member of the committee if any member of the committee gives notice of an intention to file supplemental or minority views. Then each committee member, whether he previously indicated he was going to file separate views or not, is given 2 days after receipt of the proposed majority views to submit his supplemental or minority views.

Keep in mind, Mr. President, referring to procedures in one committee, that approximately 90 percent of bills reported have practically no controversy in them. The committees have ironed out the details, and removed all the controversy in most of the bills which pass by a unanimous vote of the Senate itself, or are reported from the committee by unanimous vote of the committee.

Besides the delay in getting out the committee report, this procedure gives the minority the advantage of being able to tailor its views to counter those of the majority. But then the 2-day delay is compounded because the provision calls for at least 3 calendar days after the committee report has been filed before any vote can be taken on the measure in the Senate and hearings must also be made available at least 3 days before a floor vote is taken. What this means is that, once a committee has decided to report a bill and supplemental or minority views are to be filed, at least 5 days elapse from the time the committee agrees on its report to the time when a vote can be taken on the measure on the Senate floor.

In the rush of the last days of a session, when Congress is attempting to legislate on many matters of importance, such a procedure would slow us down to a crawl and elongate the session considerably. This cautious mechanism would do even greater harm when legislation must be enacted by a certain date in order to keep operative a certain program. We often encounter this in the Finance Committee, such as with the debt limit, or a trade act, or a temporary tax, or a sugar quota. With all of these laws, we almost always find that the bills to extend or amend them come to the committee just before the termination date. There is nothing that the Senate can do to change this, because virtually every such bill is a revenue measure, which, under the Constitution, must originate in the House, and cannot be acted upon by the Senate until it has been acted upon by the House. The Finance Committee is sometimes called upon to act on these measures within a week of the expiration date. The procedure called for in the bill before us will prevent the Finance Committee—and the Senate—from acting expeditiously and, therefore, we will see the acts in question lapse, creating not just administrative problems but also tremendous economic consequences throughout the Nation. In my opinion, these unusual procedural brakes were written without regard to the Constitution and the handicap under which it forces the Finance Committee to operate.

COMMITTEE RULES

Also, in section 102(e) of the bill, each committee is directed to print annually the rules which govern the procedures of the committee, to transmit promptly to each member of the committee a copy of these rules, and to make these rules available for public inspection. This provision can be and will be complied with, but what is the necessity of it? Why must the committee have to do this? Why should a committee straitjacket itself and be forced to comply with such an arbitrary rule? Cannot the committees be trusted to proceed under informal and flexible rules which may not be written but which are agreeable and understood by the members of that committee and which are constitutional? Each committee has its own problems that are peculiar unto itself. Therefore, it should be permitted to work its own will, taking into account the exigencies of the moment without being hamstrung by a predetermined set of formalisms. A committee should not be put to the expense and time of printing a set of rules and of making them generally available when it could be devoting the time to working on legislation before it and the money to purposes better suited to the expenditure of taxpayer dollars.

COMMITTEE HEARINGS

Another inordinate delay in the legislative process will be added by section 103(a) of the bill, which calls for an announcement of committee hearings at least 2 weeks before the hearing unless a majority vote of the committee determines otherwise. Let me bring up the example of the debt limit again to show how unfair this 2-week rule is. It is often necessary to enact quickly an increase in the ceiling on the Federal debt, and if Congress does not act quickly in this regard, the Nation falls in arrears in its obligations, and if pressed to the extreme, could become bankrupt. To put a 2-week waiting period on top of the other delays called for by the bill would surely mean an impossible task in trying to enact an increase in the debt limit in the short period of time that we in the Senate are usually given for such action. And let me say, Mr. President, there is no way out of this as far as the Senate is concerned because again it must wait until the House has acted. It cannot initiate this sort of legislation. The way out of the problem provided by the bill is more one of theory than of practice because the committee must meet in order to vote to waive the 2-week rule, and a willful group of committee members may see to it that no quorum is available to permit a meeting to permit a vote to waive the rule. The minority is being given deadly ammunition to stall passage of what may be desperately needed legislation.

Section 103(a) also calls for hearings conducted by committees to be open to the public except where the committee determines by a majority vote that the testimony to be taken at the hearing relates to a matter of national security or tends to reflect adversely upon the character or reputation of a witness or any other individual. Here again we are faced with the problem of secrecy which is demanded in connection with certain tax matters which come before the Senate Finance Committee. How can we continue to uphold the requirement for secrecy called for by one part of the law and honor the commitment to an open hearing called for in the bill before us today? The only two grounds on which a majority of the committee can decide to hold a closed hearing—that is, national security or an adverse reflection on an individual—may not be available with regard to a tax hearing. Such was the case within the past few years when the Finance Committee held a closed hearing on the Du Pont divestiture matter. Neither of the grounds that this bill permits for closing a hearing was available. Would the committee then have had to conduct an open hearing on a subject that involved the tax status of specific taxpayers? The present rule is decidedly superior. Under it hearings are open unless the majority determines otherwise, but the majority can determine that it wants a closed hearing on grounds other than the two listed in the bill before us.

Section 103(a) of the bill requires that before each day of a hearing the staff of the committee must prepare a digest of the statements of the witnesses to appear that day, and then after the hearing each day, the staff must prepare a summary of the testimony just given. After approval by the chairman and the ranking minority member of the committee, each of these summaries is to be printed as a part of the committee hearings. By providing this procedure, we are not only duplicating the work of what in many instances is an already overworked committee staff, but we are taking them away from their legislative duties and we are adding substantially to the Government paper explosion. Too often our hearings are weighty, fat volumes which few persons peruse completely. We shall now make them even weightier and fatter and we will make sure that no one ever reads them. Today the staff of the Finance Committee summarizes each statement presented at a hearing so the committee if it chooses can work from this summary in executive session. Heretofore this summary has been kept as an internal document of the committee. We have also urged witnesses to summarize their own statements and to submit the summary when the statements are presented.

Finally this section of the bill dealing with committee hearing procedure entitles the minority of the committee to call witnesses of its own on at least 1 day during the hearing. I know that our committee certainly honors the request of any member with regard to hearing witnesses on a matter before us, and we will continue to do that with or without this provision, but it may be that a requirement of this sort will simply serve to delay the legislative process and draw out hearings even more because it is not clear whether the minority witnesses should appear on a sep-

arate day. If the hearing is to be only a 1-day hearing, and many of the Finance Committee hearings are for only 1 day, why extend it to 2 when you can have both the so-called minority witnesses and majority witnesses appear on the same day? In other words, here is another provision in a bill intended to speed the work of Congress which in reality will decelerate it.

PERMISSION TO MEET

I turn now to section 104, which deals with when a committee can sit. As reported by the special committee, this section stated that a committee without special leave could not sit while the Senate was in session, except for the Committee on Appropriations in the Senate and several different committees in the House. If consent were obtained from the majority leader and the minority leader in the Senate, then a committee could conduct a hearing while the Senate was in session. Another second thought was had by the managers of the bill when they accepted a floor amendment to modify the section so as to continue the existing rule allowing committees without permission to meet during the morning hour. But after the floor amendment's adoption, I believe the bill still prohibits a committee from meeting after the morning hour for any purpose other than to conduct a hearing even if the consent is obtained of the majority and minority leaders. This prohibition on a committee meeting while the Senate is in session to mark up a bill, report one out, or do other important committee work may seriously damage attempts to expedite the business of the Senate.

I would hope that this provision of the bill can be altered further so that, in addition to any Senate committee sitting without any sort of permission while the Senate is in morning hour, any Senate committee could sit for any purpose, not just to conduct a hearing, at any time other than in the morning hour during which the Senate is in session, if the committee had the consent of the majority leader and the minority leader or their designees. This modification would be in keeping with the purpose of the entire bill, to speed up the work of Congress.

REVIEW SPECIALIST

Section 105 of the bill deals with legislative review by standing committees and calls for the establishment of a new position on the staff of each standing committee—that of a review specialist whose duties and functions as a member of the Finance Committee staff will be so many and so complex that anyone attempting to fill such a position cannot be expected to stay on the job longer than 6 months without expiring or going crazy. On the Finance Committee, the review specialist would have to supervise, administer, and conduct reviews and studies on all of the laws, programs and projects, the regulations, procedures, practices, and policies under the jurisdiction of our committee—that is, in the areas of taxation, debt management, trade and tariff, social security, public assistance and medicare, veterans, unemployment compensations, renegotiation, and the like. Rather than add a specific man to a staff to be a review specialist, it makes more sense to mold a staff, as we are attempting to do in Finance, where each person is knowledgeable in and responsible for a specific area. For example, we have personnel who are responsible for our committee's work in the social security field, and these experts handle the legislation, the inquiries, and do the review and oversight functions of our committee with regard to social security. Likewise, we have other persons on our staff responsible for the other areas under our jurisdiction. Thus, when our staff is rounded out we will have people expert in each area, and we need no one to be a jack-of-all-trades, master of none, such as a review specialist would be. We will have departmentalized the work enough so that no one is on the verge of a mental breakdown. Perhaps I had better also mention that we do not even have room to give a review specialist desk space to work in. Other committees may be in the same fix.

Section 105 also requires each committee to submit a report of its activities in the area of legislative review each year to the Senate, which then transmits the report to the President and to other appropriate agencies. Of course, anyone can see that this is simply another big contribution to the Government paper explosion. If there is one thing the President of the United States and the heads of Government agencies do not need, it is to have additional reading matter to consume their valuable time. As with all reports such as these, it costs time and money to prepare, it burdens those to whom the reports are made, and it may accomplish little if anything. This Government has a mania for producing paper, and the Legislative Reorganization Act before us, which I would have thought would have applied a white-hot match to a lot of this unnecessary, and often unread, paper, is instead going to provide us with reams more.

On the other hand, the Finance Committee staff did a legislative oversight report on the medicare reimbursement formula and the proposed formula was amended to save several millions of dollars. I hope we can force the Government to cut back still further as the staff report indicated.

It pleases me that the President's budget message includes proposed modifications of the depreciation rules for both Government-financed and private hospitals, and which should further reduce the costs of medicare. These proposed modifications developed from the Finance Committee staff's oversight work.

The Finance Committee is now engaged in a legislative oversight type study of steel imports. Future trade policy may be shaped by this work, but we have not needed a review specialist to get us moving.

The purpose of the review specialist is an admirable one—to keep the Congress informed as to how the programs it has passed into law are working so that it can legislate intelligently for the future. The only problem is that on so many committees this task cannot be performed by the addition of one new person; yet, they are already being performed—by entire staffs, departmentalized so that each staff member is responsible for the oversight of a particular department or program.

CONFERENCE REPORTS

Section 106 of the bill deals with conference reports and requires that every conference report be printed separately in both the Senate and the House, accompanied by an explanatory statement prepared by the conferees of the House in which it is being printed. In other words, whereas at present we have one conference report with one statement of managers, that of the managers on the part of the House, the bill before us will require separate conference reports for each House and separate statements by the managers for each House. It may be, upon occasion, in the future Senate conferees would like to make their own statement with regard to the conference report; however, a mandatory provision requiring the Senate conferees to do so in every instance will often mean an unnecessary repetition of what is said by the House conferees. Therefore, I suggest that the filing of a separate conference report and statement of the managers of the Senate be optional. In some instances, where there is little controversy, the statement of managers on the part of the House may be sufficient. In other instances, the conferees on the part of the Senate may wish to file a statement of their own accompanying the conference report. They should have that flexibility. A statutory requirement for two conference reports could also breed much unnecessary litigation if there should be different interpretations of the same language.

COMMITTEE JURISDICTION

Section 121 of the bill provides for the new setup of standing committees of the Senate. It really provides only two innovations. It renames the Banking and Currency Committee, the Committee on Banking, Housing, and Urban Affairs, but does not add to nor detract from the jurisdiction of that committee. The other thing that it does is to take away jurisdiction over veterans matters from the Committee on Labor and Public Welfare and the Committee on Finance and give such jurisdiction to a new Committee on Veterans' Affairs. I strongly object to this latter provision. Here is how I feel on this matter.

STANDING COMMITTEE ON VETERANS' AFFAIRS

At a time when the ethics of Congress are being severely examined, I feel that one proposal contained in this bill to reorganize the legislative branch of Government is particularly inappropriate. That proposal is the one to establish a standing committee in the Senate on veterans' affairs. It is inappropriate because it may well require that the committee's membership be confronted with a dangerous conflict of interest, a conflict between what is good for the Nation as a whole and what is good for one segment of the Nation, veterans.

The interests of the veteran may not

always coincide with the interests of the general public, particularly when it comes to deciding, as at present, how much we can afford to spend. If a committee is set up strictly to legislate on matters affecting a single group, it will soon become responsive only to those interested in that group—in this case, the veterans and their organizations. The veterans and the organizations which represent them are quite naturally interested in bettering their own lot. Thus, the tendency when a congressional committee hears only from one segment of society is to respond favorably to that segment, to try to please it, and to do what it wants. In this case that could mean providing millions of dollars of additional benefits to the country's veterans when perhaps the money can be put to a more necessary use in another program.

It is much easier for a congressional committee to act objectively and to turn down or moderate the requests of a special interest if the committee has other interests to cater to, and is not solely dependent on the one special interest for its inspiration and existence.

But if a committee devoted only to veterans is created, it will be impossible for a Senator to serve on it if he has to tell the veterans "No." It will be difficult to recruit Senators who will be a restraining influence to serve on that committee. Thus, the committee will be left to those who will vote right down the line, all the way, with the veterans organizations.

A unique feature of our veterans program is the fact that ever since the Mexican War, the costs of benefits have exceeded the costs of the war. Another unique feature is that the peak of expenditures for veterans benefits is usually not reached until 50 or 60 years after the war. Today, nearly 50 years after the World War I armistice, we are at the point of greatest costs of benefits for veterans of that war. We will find the costs of veterans benefits for World War II continuing to rise on into the 1990's. The peak of benefits for Korean veterans probably will not occur until after the turn of the century and Vietnam veterans costs will continue to rise for years after that. The best estimate that has been made of the ultimate costs of veterans benefits came in 1956, when the Bradley Commission Report to the President was completed. That Commission estimated that the costs of benefits for veterans of World War I, World War II, and the Korean conflict would total $371 billion. But that was on the basis of the law as it existed 10 years ago. Benefits today are substantially higher than they were then.

If an old-age pension were provided for these veterans, as has been proposed over the years, without regard to their need or disability, the costs at 1965 rates would have been three-fourths of a trillion dollars.

That is how much we are talking about—three-quarters of $1 trillion. It might well be that a committee looking into the costs of such matters might have the benefit of senior members of some other committees which have some other responsibilities, in an attempt to relate these inherent costs to the costs of other measures which we will be asked to pass.

I ask unanimous consent that a chart I have had prepared demonstrating these costs be inserted at this point in the RECORD.

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

Comparison of military cost and cost of veterans benefits by war, as of July 1, 1965, and estimated total benefit costs

[In billions of dollars]

War	Military operations	Benefits (paid to June 30, 1965)	Benefits payable in future (estimated)	Overall benefit costs (estimated) [1]
Revolutionary	[2] 0.075	[2] 0.070	None	0.070
War of 1812	[2] .134	[2] .046	None	.046
War with Mexico	[2] .166	[2] .062	None	.062
Civil War	[2] 4.000	[2] 8.600	None	8.600
War with Spain	[2] .570	[3] 5.100	[3] 0.400	5.500
World War I	[2] 26.000	[3] 39.300	[2] 20.700	104.000
World War II	[2] 341.000	[3] 69.900	[2] 162.100	474.000
Korean conflict	[4] 18.000	[3] 11.300	[2] 57.700	184.000

[1] Assuming general pensions for recent wars.
[2] Bradley Commission report, 1956.
[3] Office of Controller, Veterans' Administration.
[4] Legislative Reference Service Survey, October 1956.

Mr. LONG of Louisiana. I believe it would be unwise and costly to set up a special minor committee to oversee a program of this tremendous magnitude—three-fourths of a trillion dollars. No doubt, a committee controlled by the veterans organizations—a minor committee not familiar with the overall impact of income maintenance programs—would soon recommend a general service pension for veterans, which the chart which I have just inserted in the RECORD demonstrates could easily double the costs of veterans benefits.

The ultimate result could well be that the Senate, as a whole, would have to check the Veterans' Affairs Committee. But the burden of curbing the reckless spending tendencies of a committee should not have to fall upon the Senate as a whole. The committee system was created to lighten, not to add to, the load of the Senate. It was designed to enable the Senate at large to rely to a great extent on the reasoned, reflective conclusions of a smaller group which had objectively studied a particular subject. This would not be possible with the creation of a legislative Committee on Veterans' Affairs.

Such a situation is avoided today because problems of the veterans are divided generally between the Labor and Public Welfare Committee and the Finance Committee, on a functional basis which gives each committee jurisdiction over those veteran programs which it is best suited to consider. The members of each of these committees have broad responsibility in many areas. The members of these committees have too many diverse interests to become the private property of any one interest. And yet it cannot be said that either of these committees does not respond to the needs of the people with whom it is concerned. Both committees are compassionate ones which have done more than perhaps any other in the Senate to care for the wants of the unfortunate.

Mr. President, the Labor and Public Welfare Committee has been the cradle for measures to assist the ill, the poor, the unemployed, the uneducated, and, yes, the veteran—you need look no further than that committee's and the gallant Senator from Texas' efforts in behalf of the cold war GI bill.

Permit me to boast at this point about my own Finance Committee which has played a leading role in carrying out the Nation's programs in welfare and public assistance, social security, medicare, which has responded to the needs of the Nation's businesses and foreign policy through trade and tariff legislation, which has attempted to distribute the cost of public services fairly and yet encourage certain national goals through tax policy, and which has always responded reasonably and effectively to the problems affecting our veterans.

On the latter point, it seems to be the belief on the part of those who wish to strip the existing committees of their jurisdiction over veterans that the existing committees have not given the proper consideration to the matters which affect veterans and that other subject areas which occupy the attention of the existing committees take precedence over veterans and prevent the latter from getting their "just due." In fact, one of the arguments in the committee report on the bill before us for jurisdictional change is to "distribute better the workload to relieve committees whose workloads have reached unmanageable proportions."

The facts with respect to the Finance Committee and its handling of legislation, including veterans legislation, speak for themselves. The facts are:

In the 88th Congress, there were 92 House bills referred to the committee and 90 bills received action by the committee. We had 286 Senate bills and resolutions referred, and 157 of them were considered by the committee. In the 89th Congress we had 113 House bills referred to the committee, and 90 of them were acted upon by the committee. Of the 23 not acted on, 19 were received the last day of the Congress and two others a little over a week before the end of the Congress.

Mr. President, there were 380 Senate bills referred to the committee and 166 of them were considered by the committee. So, in the past, somewhat more than

half of the bills have been considered by the committee, and the remainder, it can be contended, were not really pressed by the sponsors for consideration. Those figures seem to disprove the contention that the Finance Committee's workload has been unmanageable. Also, there never seems to be a shortage of Senators who want to labor with that so-called unmanageable workload. Finance Committee seats are always among the most sought after in the Senate.

FINANCE COMMITTEE HELPS VETERANS

As to whether the committee has done right by the veterans, a quick review of some of the high spots of committee activity in this regard should answer the questions. In 1917, during World War I, the Finance Committee worked out the first life insurance program for our Armed Forces. The U.S. group life insurance program became the benchmark from which we worked during World War II in framing the national service life insurance program. National service life insurance is one of the most popular veterans' benefits of all time. My only regret is that the Finance Committee—which wants to make national service life insurance available to more veterans by reopening the program for them—was unable to convince the House Veterans' Affairs Committee of the great importance of giving these boys another chance to buy this good insurance at favorable rates.

The narrow reopening they forced us to accept in 1964 when we met with them in conference brought pitifully new veterans under national service life insurance. In my opinion, the House Veterans' Affairs Committee failed the veteran on that occasion. That was not the failure of the Senate Finance Committee.

In 1965 the Committee on Finance initiated legislation to provide needed insurance protection to our men fighting in Vietnam. This servicemen's group life insurance program provides a maximum of $10,000 low-cost life insurance to over 2.8 million members of our Armed Forces.

The first GI bill of rights was born in the Senate Finance Committee in 1944. Literally millions of veterans derived great benefits from that monumental work—benefits in the form of guaranteed home mortgages at favorable interest rates, education benefits, and business loans. For 20 years now, we have worked on veterans' pension legislation, and I think our work is above reproach. Moreover, I think veterans' and survivors' benefit provisions reflect the expertise developed in the Committee on Finance through our experience with the benefit programs under social security and the welfare programs. This is to be expected since all these programs are quite closely related in their issues and implications.

In 1957, the Committee on Finance acted to establish a completely new program for survivors of veterans who died as a result of service-connected disabilities. This program, known as dependency and indemnity compensation, has developed and its benefits have been materially increased. In 1958, we combined all the veterans' benefit programs into one title of the United States Code.

This codification represents a truly great simplification over the maze of laws it replaced. It also represents the great responsibility the committee feels for keeping the veterans laws responsive to the needs of the veterans. We have not—and we will not—shirk that responsibility. I challenge anyone, including the veterans organizations, to show a single instance of Finance Committee apathy to the proper needs of the veteran.

If one looks at the bills that are before the Senate at the end of each Congress, he will notice that we act on every veterans' bill that should be acted on. With few exceptions, measures passed by the House Veterans' Affairs Committee are not killed in Finance. During the last session of Congress, every one of nine bills which came to our committee from the House Veterans' Committee was acted on. We have, on the other hand, passed some very constructive suggestions which we have had difficulty in persuading the House committee to accept. Our committee acted on four of nine veterans bills introduced in the Senate in 1966. Four times in the 89th Congress the Finance Committee urged and the Senate approved amendments to prevent veterans from losing their veterans pensions because they received a few bucks extra social security benefits under the 1965 law. Each time the House callously threw the amendments out. I believe our concurrent jurisdiction over veterans legislation and social security has given us an insight into this issue which the Veterans Committee of the House lacks. I am pleased that the President has seen the great wisdom of our amendment and included the thought behind it as one of his recommendations in his January 31 veterans message to the Congress. Perhaps now we can get action on this important issue. I am happy to say that the first bill acted upon by the Finance Committee this year was the Vietnam veterans bill, S. 16, favorably and unanimously reported by our committee January 31, 1967.

RESPONSIBILITY FOR BROAD PROGRAMS

Another justification given by the Special Committee on the Organization of the Congress for creation of a legislative committee on veterans is to "fix responsibility in broad program areas so that a specific committee has responsibility for legislation affecting related subjects and programs."

Rather than to justify creation of the Veterans Committee such a goal argues against forming the Veterans Committee. At present, the Labor and Public Welfare Committee has responsibility over educational programs, including those of the veteran. The Labor and Public Welfare Committee has responsibility over hospital programs, including those of the veteran. The Finance Committee has great responsibility in the field of insurance, including that of the veteran. The Finance Committee has responsibility for certain income maintenance programs, such as public assistance and social security, including the income maintenance of the veteran through compensation and pension. To take consideration of these problems of veterans from the committees which consider such problems when they affect all other segments of the population is not to fix but to fragment responsibility in broad program areas. If it is said that the broad program area is that of veterans, then perhaps other legislative committees should be set up to treat only of the "broad program areas" of Shriners, or New Englanders, or freckle-faced redheads. The broad program area is not a class of people, but a large problem, and that is being best handled with the present jurisdiction of legislative committees.

If there is to be a separate veterans committee, why did not the authors of the legislation to establish it give that committee jurisdiction over all matters affecting veterans? Why did they choose to limit its responsibility just to the matters which today fall within the jurisdiction of the Finance and the Labor and Public Welfare Committees? The Senate Banking and Currency Committee handles some veterans' matters—those related to the VA-guaranteed home mortgage program. The Committee on Interior and Insular Affairs handles still other veterans' matters—such as the administration of VA cemeteries. Neither of these committees' jurisdiction has been invaded in creating a new veterans committee.

PARALLEL JURISDICTION

The third justification in the report on S. 355 for a Veterans' Affairs Committee is to "make the jurisdiction of Senate and House committees as nearly parallel as possible because of the conference committee procedure and to facilitate the continuous interchange of ideas." This is an interesting thought, but, except for matching up a Senate Veterans' Affairs Committee with a House Veterans' Affairs Committee, there is no attempt in the bill to act on this idea. Certainly, the lack of a Senate Veterans' Affairs Committee is but one small example of how Senate committees do not correspond to House committees in jurisdiction.

I know that the Finance Committee and what is supposed to be its corresponding committee on the House side—the Ways and Means Committee—do not have jurisdiction over the exact same subjects. The Finance Committee handles sugar legislation, which is within the jurisdiction of the House Agriculture Committee. The Finance Committee will work on State and local taxation of interstate commerce—a matter for the Judiciary Committee in the House.

The Ways and Means Committee, on the other hand, is the House committee on committees, designating Members to fill positions on all other committees. The Finance Committee has no such power. There are countless other examples of where jurisdiction of Senate committees is not the same as that of House committees of the same name or those thought to function in the same general area.

I am not so sure that there should be such strict uniformity between House and Senate as to the number of committees and boundaries of jurisdiction of those committees. Neither House should have

to conform to a master plan insofar as the business concerns only that House. If uniformity is demanded, why single out just the matter of who is to handle veterans' bills?

Even if it is singled out, is it not just as valid to say that the parallel jurisdiction can come about by abolishing the House Veterans Affairs Committee and dividing up its jurisdiction between the House Education and Labor and the House Ways and Means Committees? Eliminating committees was the direction the Legislative Reorganization Act of 1946 took, and it would seem that if the Committee on the Organization of Congress really wanted to streamline and make more efficient the operations of the Congress they would follow this same direction this year. Instead, they seem to want to increase the number of committees, what with calling for the Veterans' Affairs Committee in the Senate as well as seeing to it that their own committee becomes permanent under the name of the Joint Committee on Congressional Operations.

Another committee will create additional pressures for Senators' time and attention. Suppose a member of the Veterans' Committee is also a member of the Finance Committee and that both committees have sessions at the same hour. Which committee meeting will that Senator attend—the Finance Committee, where the issue may be a $4½ billion tax increase, or the veterans committee where the issue may be to give an extra $47 statutory award to a veteran for each anatomical loss? Today, there are enough committees competing for a Senator's presence. This competition should not be made keener by creating new ones.

There is another matter that has not been explored by those who would create this new veterans committee. It is the space problem. If they succeed in depriving the Committee on Finance and the Committee on Labor and Public Welfare of their veterans jurisdictions, just where is the new committee and its 12-man staff going to be housed? The Committee on Rules has been unable to find even a single room for the Finance Committee—the oldest committee in the Senate—to house a more adequate staff. A new committee, with its demands for hearing rooms and office quarters, would intensify today's space burden to an intolerable point.

I shall not try to upset the applecart by opposing a permanent Joint Committee on Congressional Operations, but I do urge that the bill be amended to delete the provision establishing a standing Veterans' Affairs Committee of the Senate.

COMMITTEE MEMBERSHIP

Section 122 reapportions and generally reduces the number of Senators on each committee. I do not necessarily quarrel with this reduction, but if the additional standing committee called for by the bill, the Veterans' Affairs Committee, is dropped from the measure as I most earnestly hope for, then there must be a new reshuffling to take account of the reduced number of committees. If the number of standing committees remains as it is at present, it would not appear necessary to change the number of members of such committees.

Section 122 also prohibits a Senator from serving on more than one of the following committees: Appropriations, Armed Services, Finance, and Foreign Relations. I do not object to this because of its effect on me. As a matter of fact, I resigned from the Foreign Relations Committee last year because I felt I should not serve on it and on the Finance Committee at the same time. Senator SMATHERS, the ranking Democrat on the Finance Committee, also left the Foreign Relations Committee for much the same reason. And, it has been something of an unwritten rule for quite a long time that no Senator should serve on both the Appropriations, and Finance Committees. Nor do I have any desire to obtain membership on the Armed Services Committee.

I object to the proposal in principle because I feel that it could deprive the country of the services of outstanding U.S. Senators. The national interest would suffer if certain unusually able Senators in the future would not be able to serve on more than one of these important committees. For example, if the rule were in effect right now, the United States would not be able to have at its service on both the Appropriations Committee and the Armed Services Committee, the inestimable talents of the senior Senator from Georgia. In an effort to share the wealth, we cannot afford to turn our back on what is best for this Nation, and if what is best means a Senator serving on more than one of the so-called big four committees, and if he is willing to do it, then I think he should have the opportunity to do so.

SIX-YEAR COST ESTIMATE

I pass over, now, a number of sections in the bill to get to section 251 which requires in every report of a legislative committee on a bill an estimate by the committee of the costs to be incurred in carrying out the bill in the fiscal year which it is reported, and in each of the five fiscal years which follow. I would like to see this language clarified so that we are assured this does not apply to revenues measures. First of all, it is impossible to predict what the revenue gain or loss will be of any tax bill for a period of up to 6 years in the future.

Revenue gains and losses are tied to the whole economic complex of the Nation and there are so many variables that no accurate prediction of the revenues can be made for a period of 6 years into the future. Nor can costs of administering a complex tax bill be estimated with any precision. Of course, the term "costs" in this section may not mean revenue gained or lost in a tax bill, but may relate only to the money that the Government will have to spend in carrying out a particular program of goods and/or services. Whichever is the case, I would like to see the language clarified.

COMMITTEE STAFFING

Section 301 of the bill relates to committee staffing and infers strongly that the majority of the committee shall have assigned to it four professional staff and five clerical staff members and the minority of the committee shall have assigned to it two professional staff and one clerical staff member. The whole tenor of the section is to push a committee to the creation of a partisan staff, the majority staff members working only for the majority members of the committee and the minority staff members working only for the minority members of the committee.

The Finance Committee considered its staffing problems and concluded that the best committee work is done with a truly impartial professional staff rather than one drawn on partisan lines. It felt that the interests of the Senate and of the Nation can be served best by having a really professional staff, each member of which is answerable to any member of the committee and is responsible for providing information and recommendations to any member of the committee, be he on the majority or minority side. The Finance Committee, like the Foreign Relations Committee is working to develop a completely nonpartisan staff. As a matter of fact, our committee debated this very matter last year and it was agreed by both the Democrats and the Republicans on the committee that instead of fragmenting the staff into majority and minority, the staff would be simply a professional staff of a nonpartisan nature whose services would be available to any member of the committee or to any Member of the Senate. It may also be that by speaking in terms of a specific number of majority and minority staff members, unnecessary jobs will be created where there perhaps are already too many jobs. Certainly, the additional staff people will create new demand for space.

These are the provisions of S. 355 which I find most alien to a streamlining and economizing of operation by the Congress. I hope that the bill will be recommitted so that these matters which I have mentioned can be considered as a bill of particulars aimed at refining much of what is in S. 355. There is no question that there is a lot that is good in the bill before us. However, the aspects of the bill to which I have directed my criticism will upset tried and true procedure presently being maintained in the Senate and its committees. Rather than make our operations more efficient, these provisions in the bill will impede, slow down, and complicate the congressional way of life.

Now, I wish to suggest two proposals I have long thought would be improvements on the way we do business around here.

ABSENTEE VOTING

One has to do with the recording of how a Senator votes on a rollcall vote. We should adopt a rule that will permit an absent Senator to be recorded as present and voting no more than five times during a session of Congress when he is, for good cause, unable to be in the Senate Chamber at the time of the rollcall vote, when he has in person previously notified the Senate of his absence, and when he officially transmits to his Senate leadership how he wishes to be recorded on the rollcall vote. This will do away with the procedure of having to obtain a live pair and therefore of nul-

lifying the vote of another Senator who is physically present at the time of the rollcall but who, as an accommodation to the absent Senator, pretends as if he is not present. It will also eliminate the unpleasant task of the leadership of obtaining live pairs for absent Senators. To permit this five times a year would not be to encourage absenteeism or to encourage a shirking of one's duty but it would provide a very great convenience to harried legislators who nevertheless wish to be recorded actually voting on measures of great importance. The absent Senator would not be counted as present for purposes of a quorum, but if a quorum were established as being present, his vote would be counted just as if he were physically present in the Senate Chamber.

PUSHBUTTON VOTING

The other proposal I shall offer to this bill calls for the utilization in the Senate of an electronic voting system. As many of my colleagues will recall, I have many times deplored the antiquated system under which we are required to vote here in the U.S. Senate, that we use a voting system long ago done away with by the United Nations and the parliamentary bodies of many nations and the legislatures of most of the States in our Union. Electronic voting systems are employed around the world; but here, in what I think is the greatest legislative body in the world, we still go through the laborious, drawn-out and bulky process of calling each Senator's name to determine how he wishes to be recorded on each and every rollcall vote. With an electronic voting system installed so that each Senator, on his desk, is able to push a button to register "yes" or "no" on a vote, and so that the votes are simultaneously recorded and received at the front of the Chamber, we shall expedite greatly the business of the Senate.

These two additions I recommend be considered when S. 355 has been recommitted to committee, as I hope it will be. Because congressional reform and organizational change happen so seldom, we should take special care to see that, when they do happen, the change is proper, the reform is real. The bill before us does not meet those tests; and, therefore, I urge that it be recommitted to committee. However, should the bill not be recommitted to committee, I have amendments to make all of the changes I have detailed, which I now submit.

Mr. President, I have detailed my objections to S. 355, the Legislative Reorganization Act of 1967 and to remedy those objections, I have introduced amendments to the bill in a package and individually which would do the following:

First. Delete the requirement of open committee meetings except when a majority vote orders an executive session and the requirement of a public announcement of each rollcall vote in committee.

Second. Modify the prohibition against proxies being used on a vote to report a measure from committee so that the prohibition would apply if that were the rule of the committee.

Third. Modify the requirement that a committee report include all of the votes for and against the measure being reported so that the requirement would apply if it were the will of a majority of the committee.

Fourth. Delete the rules requiring a delay of 2 days after completion of the majority report of a committee before it can be filed in the Senate so that supplemental or minority views can be placed in the same document and requiring 3 days between the filing of the report and the first vote on the measure in the Senate.

Fifth. Delete the requirement of an annual printing of committee rules.

Sixth. Delete the requirements of 2 weeks advance notice of committee hearings, open hearings except under certain conditions, staff digests of statements prior to a hearing and staff summaries of testimony after a hearing.

Seventh. Change the rule permitting a committee minority to call witnesses on at least 1 day of a hearing so that they could call witnesses sometime during the hearing.

Eighth. Modify the right of Senate committees to sit while the Senate is in session; the House rules would not be changed, but a Senate committee without permission could meet during the morning hour and with the permission of the majority and minority leaders could meet for any purpose at any other time during a Senate session.

Ninth. Delete the references to a committee review specialist and the requirement that a committee make certain reports of its review activities.

Tenth. Modify the conference report procedure so that, for the Senate, a separate conference report including a statement on the part of the Senate conferees would be discretionary, but the rules of the House would not be changed.

Eleventh. Delete the rules relating to the jurisdiction of standing committees of the Senate and to the membership of Senate committees and the Senate membership of joint committees.

Twelfth. Except revenue measures from the 6-year cost estimates required of legislative committees.

Thirteenth. Delete the committee staffing provisions relating to a division of staffs into majority and minority positions.

Fourteenth. Permit a Senator to be absent from the Chamber and yet be recorded on rollcall votes up to five times each session.

Fifteenth. Call for the installation of electrical equipment for voting in the Senate.

Mr. HILL. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. HILL. Let me call attention to an act which was reported by the Committee on Labor and Public Welfare in the last Congress, the 89th Congress, and which was passed. That act shows that we have been diligent in trying to do what is necessary for our veterans. Section 101 of that act, Public Law 89–785, reads:

"(b) In order to more effectively carry out the functions imposed on the Department of Medicine and Surgery by subsection (a) of this section, the Administrator shall carry out a program of training and education of health service personnel, acting in cooperation with schools of medicine, dentistry, osteopathy, and nursing; other institutions of higher learning; medical centers; hospitals; and such other public or nonprofit agencies, institutions, or organizations as the Administrator deems appropriate."

One could not have anything stronger or better, so far as trying to give these veterans the best possible medical treatment and medical care, than this provision here, tying in your veterans hospitals with your needed medical centers, medical schools, and institutions of higher learning. We could not have better.

We reported this bill from the Committee on Labor and Public Welfare, and it was passed in the last Congress.

Mr. LONG of Louisiana. The Senator is correct.

Mr. HILL. To show how diligent we have been to try to make sure that our veterans get the very best of medical treatment and medical care.

Mr. LONG of Louisiana. The Senator is correct, and furthermore, most of the veterans' organizations, toward the conclusion of a session of Congress, report back to their members what a magnificent job Congress, including the committee of the Senator from Alabama has done in providing additional veterans benefits.

Mr. HILL. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. HILL. I thank the Senator for his very kind and generous remarks about the Committee on Labor and Public Welfare; and, if I may say so, his remarks apply equally and just as strongly to the Committee on Finance. The Committee on Finance has always done its utmost to do everything it could for our veterans.

Mr. LONG of Louisiana. I thank the Senator.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield to the minority leader.

Mr. DIRKSEN. I presume this exposition by the distinguished Senator from Louisiana leads up to the amendments that he has offered for printing under the rule. I had thought perhaps he had some suggestion to make with regard to expedition of the pending bill. There are, with his amendments, or will be probably 61 amendments up there by tomorrow. Of course, to process that many will take us a long time.

I say to my friend, the chairman of the Finance Committee, that in the first instance I had in mind committing this bill either to the Committee on Rules or to the special committee from whence it came. It can, under the rule, be committed to either. It would be better to commit it to the special committee, for a very good reason. The distinguished Senator from Oklahoma [Mr. MONRONEY] has consistently made the point that if we do not complete action on the bill here on the floor, and carry it to a conclusion, probably there will be no legislation on the subject.

To begin with, I do not take that view, because if we commit a bill to the special committee of which he is the chairman,

the destiny of that bill will be determined by him; and since his special committee seems rather unanimous about the bill, all they have to do is take these proposals and this discussion back into the bosom of the committee, and at that point it becomes essentially a staff job. They can incorporate these modifications and changes that are suggested by various Senators, and particularly by chairmen of the important committees.

It is my understanding that the chairman of the Committee on Foreign Relations will be in here to offer 10 amendments of his own. The chairman of one of the subcommittees of the Committee on Labor and Public Welfare has, I believe, 13 amendments pending; and, in addition, we still have quite a number that were offered by the Senator from Pennsylvania.

If they are to process all of these amendments, and there comes the intervention of the Lincoln week starting about as of Wednesday of next week, we will not resume on this bill, then, all next week, and it will go over into the following week before we can get any action, because we have had the understanding with respect to the Lincoln week recess that there can be no record votes, and there actually can be no substantive action by the Senate.

I have not made each one of these motions for commitment, largely because the distinguished Senator from Oklahoma has verily entreated me not to do so, and likewise the Senator from South Dakota. There may be others on the special committee who have done the same thing. Obviously, I certainly do not wish to affront the chairman of the special committee, who has labored on this thing since, I think, February of 1966; although it must be said that they took mountains of testimony before they ever had the bill before the special committee. So it is not strange that a good many defects have crept in. And there we are.

I wish to be a willing servant of almost all of the committees and all of the Members. I do not wish to take any sumptuary action that they might feel is a cause for being aggrieved about it. So here we are, at something of a standstill, until we can find out what the pleasure of the chairman of the special committee is.

Mr. LONG of Louisiana. Mr. President, I say to the distinguished minority leader that present indications are the debt-limit bill will be passed by the House next week. There is very severe doubt that we will be able to pass this bill before we leave for the Lincoln Day recess.

Under the present provision of the reorganization bill, this Government would not be able to pay its bills because of the debt-limit problem. The bill before us, unless a majority of the committee agree otherwise, would require that we wait 2 weeks before we hold hearings; and even if we could get a majority to agree to proceed immediately, with a single objection we would be required to have a 2-day delay, and then a 3-day delay in addition to the layover for a day when reported, as provided in the existing rules.

So, we would have an additional 5-day delay and coupled with the other delays, a time would be reached at which the Government would be out of money and could not pay its employees.

I do not think that these stumbling blocks were built intentionally. However, the same type of problem will exist with respect to the Interest Equalization Act and the Trade Expansion Act. Unfortunately, in some instances, the pending bill was written without regard to the Constitution's requirement that revenue legislation originate in the House.

These are matters which must be considered before we are put in the legislative straitjacket which has been suggested here.

I hope that the bill will be recommitted and that all the matters which I have discussed in my speech will be considered.

I suggest that that would leave the committee with some discretion and flexibility.

The Senator from Illinois serves on the Committee on Finance, of which I am very proud to be chairman. The Senator knows that we have absolutely no difficulty on procedural matters. We do not have a set of printed rules, but if some Senator wants more time within which to submit minority views, we will discuss the matter and see what time would be reasonable.

If a person is being purely dilatory, we might say that 5 days would be enough time. However, it depends upon the circumstances of the case. If Congress wants to adjourn in 2 days, we would say that the person would have to get his minority views in by the next day.

So far as I know, the flexibility that the committee has enjoyed has never been abused. I cannot recall a single case when the committee was accused of abusing its discretion.

As the Senator so well knows, anytime a committee abuses its discretion and tries to rush pell mell into something, any Senator has the power to take the floor and to stop such action. All he has to do is take the floor and start talking.

That is one advantage of the rules as they now stand.

Mr. DIRKSEN. Mr. President, I point out to the distinguished Senator from Louisiana that I try so carefully not to usurp certain powers and privileges that would appear to be arbitrary action for the minority leader. To move to commit a measure to a committee when the chairman and the ranking minority member of the committee appear to be opposed to it may seem to be in dubious taste.

Any Senator can stand in his place and make that motion to recommit.

I try to be as deferential as possible, but we cannot stay on dead center forever in order to discuss this bill which is a procedural matter and does not deal with substantive legislation.

Mr. LONG of Louisiana. I believe the Senator is correct. It would seem to me that instead of debating day by day the proposal here presented, we would do better to make all of our views available to the special committee and place the bill back with them, telling them that there are problems. I would say to them, "These are the problems that the bill presents to us. My 16 amendments, more or less, explain what I think ought to be changed. It concerns about 18 things that create a problem for the Committee on Finance. Here are some other things that we think ought to be changed."

I would assume that if we keep on thrashing it out day by day on the Senate floor, we will eventually arrive at some conclusion, after doing the committee's work for it. However, I hope that the committee itself will insist on going along with the suggestion that it take the bill back into its bosom and study the various things that have been submitted here.

Having considered the suggestions, I hope—and I believe I can express that hope with some confidence—that the committee will act favorably on the recommendations.

We could then have before us a bill which we could pass within 2 or 3 days.

Mr. DIRKSEN. Mr. President, I say to the distinguished Senator that there will be no action today. We have given assurance to Senators who were going home, or catching trains or planes in order to make speeches and perform other duties, that there would be no rollcalls and no record actions today.

This matter is still in the discussion stage, and I presume that we will resume on Monday next precisely where we leave off today.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. MORSE. Mr. President, I have not discussed the pending bill as yet. I shall do so next week. However, I have listened to the Senator from Louisiana and the Senator from Illinois.

I strongly support the suggestion that the bill be recommitted to either the special committee that brought it to the floor of the Senate or to the Committee on Rules and Administration.

In view of the record that has been made, one of these committees should have the opportunity to make revisions in the bill that will reflect this record.

The Senator from Louisiana has a suggestion that is workable, as did the Senator from Illinois some days ago when he first suggested on the floor that he might consider submitting it to the Committee on Rules and Administration.

I think that the bill ought to go back to committee for further study at the committee level. There are many things about the bill that ought to be modified, if it is to stand before the public as a reform of congressional practices and procedures.

Yesterday in the Committee on Labor and Public Welfare we discussed one phase of the bill. As far as the Committee on Labor and Public Welfare is concerned, one particular recommendation which the special committee made would be unworkable, would be exceedingly costly, and would involve the employment of additional staff to do something which, in my judgment, would be a waste of time. This is the provision in S. 355 that at the end of each day of hearings, the staff digest and prepare a summary of the hearing.

I cannot think of a greater waste of

time or a more inexcusable expense for our committee.

It was pointed out that we would have to spend money for the employment of additional staff members because we do not have the staff now that could do it.

The question was then raised, "What good would it do? Furthermore, you couldn't do it at the end of every day because you do not get the transcript until the next day, and sometimes the situation develops that you do not get it the next day."

So, from a physical standpoint the recommendation is unsound. From a cost standpoint also, I think it is a waste.

Let us now go to the substance. Do we as Senators need to have a summary submitted to us at the close of each day, or available to us the next day, in regard to what went on in the hearings?

We all know that we know what goes on in hearings, even though we may not even be there, in the sense that we have our own ways and means of getting information as to what happened.

We have our staff members from our offices sitting there, if we cannot be there. The chairman of the committee has an able staff that we can ask as to what happened yesterday. They give one a summary, and let me tell the Senator that the vocal summary that one gets from our own trained staff is, in my judgment, many times more valuable than some written document that some summary specialist would prepare.

We can overdo this whole question of working out a mandatory blueprint procedure for Senate committees.

I am giving serious thought to an overall amendment that would put these proposed changes in the form of recommendations to the committees but each committee would be authorized, by a majority vote of the committee, to develop its own rules of procedure for the conduct of the committee business.

We are proceeding now on a false assumption that a uniform procedure applicable to all committees under all conditions will improve the efficiency of the committee work. I believe that the opposite will occur.

Consider, for example, the Committee on Labor and Public Welfare, on which I have served a long time, whose chairman, the Senator from Alabama [Mr. HILL], is one of the veteran chairmen of the Senate. I do not know of one so-called reform recommended by the bill under discussion that would be of any benefit whatever to the Committee on Labor and Public Welfare. On the contrary, I believe that some of these reforms would be a great handicap to the committee. Others would be simply irrelevant.

The committees have the responsibility of doing the public's business in accordance with what the committees decide is the most effective and efficient way of doing the public's business. I would rather have the rules of procedure that we have worked out under the leadership of this great democrat—I refer to him as a democrat with a small "d" because he conducts a democratic committee—in which the members of the committee decide procedural policies of the committee which will be of value in handling the legislation that comes before our committee, than all these somewhat arbitrary and superficial rules that this bill would seek to make mandatory upon our committee.

I do not believe that Senators are in a position to adopt a bill applicable to all committees, when they are members of only a few committees. What do I know about what should be the best procedure for the Committee on Appropriations? I am not a member of that committee. What do I know about what should be the best procedure for conducting other committees of which I am not a member? But I am satisfied that I am a fair judge of what the procedure should be in the committees on which I serve.

As the parent body, the Senate should demonstrate its trust in the committees themselves and say to them, "You have the responsibility of developing your own procedure." If I were to apply any mandatory rule, I would apply the rule that the committee should decide its policies by majority vote, by majority rule, and the members of the committee are entitled to insist upon a decision on procedure by way of majority rule. If that rule were adopted, I believe that much of what has been said in the Senate in the past several days could be set aside completely; and we would have the one rule that would provide the most efficient committee procedure in the Senate.

Mr. HILL. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. HILL. I agree thoroughly with what the Senator from Oregon has said about permitting the committee to work out its procedures. Inasmuch as I have told the Senator that I agree with him, I should thank him for his kind and generous words about me.

I believe that the Senator will verify the fact that in the years that he and I have served on the Committee on Labor and Public Welfare, we have agreed on these procedures not as Democrats or Republicans, but there has been a consensus. Am I not correct?

Mr. MORSE. The Senator is correct.

Mr. HILL. There has been a consensus on the part of all members of the committee; and the rules and procedures under which we operate have come about not through any partisan effort, but by consensus of the members of the committee.

Mr. MORSE. The Senator is correct.

The accuracy of that statement was demonstrated yesterday, in a 2-hour session. By majority vote, we decided a series of committee policies. Our chairman, the Senator from Alabama, believes in applying the principle of majority rule in the committee. It is this principle that guarantees protection to individual Senators on committees, not many of these—as I consider them to be—superficial and highly arbitrary and unnecessary proposals for a revamping of the procedures of Senate committees.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. LONG of Louisiana. I agree with the Senator.

A committee is composed of a group of men, each of whom has his own individual personality, and often it is better to permit them to agree upon their own procedure and to work together informally.

As I have said, the Committee on Finance has no written rules. Some time ago, as committee chairman, I suggested that we have two or three rules that I believed might be appropriate; and the members of the committee said, "We have been getting along fine the way it is. Why do we not just continue the way we have been doing business? If we think we need some rule of that sort at some later date, we can agree to it."

The flexibility that we have is extremely fine, because we have no rule which prohibits a member from voting by proxy. A member can vote by proxy. Five members of the Committee on Finance are members of the Foreign Relations Committee. Sometimes a vital matter before the Committee on Foreign Relations involves the survival of the Nation, and those members may be absent because both committees are meeting simultaneously. But we can undertake to determine how a Senator wishes to be recorded. If a Senator changes his mind and wishes to study the matter further, he can so request and such a request has never been dishonored, even if the member had been present. Our informal procedure is that a matter can be reconsidered and voted upon as many times as the members wish, so long as any doubt exists that we have reached the majority position.

In voting on a bill such as the so-called medicare bill, the Social Security Amendments of 1965, in connection with which we had hundreds of amendments to vote on, we would proceed expeditiously, on the basis that if there were no objection at the moment, we would tentatively agree to this and tentatively agree to that, and if any member wished to study the matter, we would take another look at it and see how he felt about it then.

If a Member has an amendment, he can offer it as many times as he wishes, and there is no rule preventing its reconsideration. That informal procedure helps matters.

The provision in the proposed legislation which would prohibit a proxy vote in committee, on the vote to report a bill, is patently ridiculous. The result would be to interfere with the efficiency of a committee.

Let us consider the situation of a Senator who is in the hospital. What is the point of bringing the Senator in on a stretcher—such as pitiful cases I have seen—when a man is dying, when all that is necessary is to telephone him and to ask, "How do you wish to vote on this amendment?"

Mr. MORSE. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. Mr. President, I yield.

Mr. MORSE. Now is a good time to raise this question with respect to proxy voting. One would think that we were members of a custodial institution and that we have to follow a system of custodial institution rules in order to fulfill our responsibilities in the Senate.

Let us consider a hypothetical case. The Senator from Louisiana and I have served on committees together; the Senator from Alabama [Mr. HILL] and I have served on committees together; and the Senator from Wyoming [Mr. MCGEE] and I have served on committees together. We have sat in hearings on bills, whether in the Committee on Foreign Relations or the Committee on Labor and Public Welfare. We have attended markup sessions in subcommittees and have listened for days and days to all the discussions that have taken place.

Then we have sat in the full committee. Amendments that were rejected in the subcommittee were offered in full committee, and again they were either accepted or rejected. Rearguments were made before all the amendments were passed upon.

When it got to be late in the afternoon or evening, it would be decided that because of the absence of certain Senators, the vote on reporting the bill would take place either the next day or 2 days later, at such and such a time. Every member of the committee knew how he would vote. So the members of the committee would file with the chairman of the committee their proxies, sometimes in writing, on the bill, whether the votes were up or down.

Under the procedure proposed, that could not be done, and the member of the committee would lose his vote.

There are many occasions when a committee member must be away from the committee room at the time a vote is to take place. So I say, respectfully, that what is being overlooked is whether the filing of a proxy vote by a Senator who cannot possibly be present would in any way detract from his representation of the people of his State in regard to the merits of the issues contained in the bill. I say that it would not detract one iota.

When the roll is called in committee, and the chairman says, "I have the written proxy of the Senator from Oregon. He requests that he be registered as voting 'yea'." Why is it insisted that under that set of hypothetical facts the Senator must be present in body, even though he has participated in all the hearings? He understands the bill. He filed his proxy after the committee's consideration of the bill had been completed and the decision made to set a time certain to vote.

I speak most respectfully when I suggest that the proposal seeks to place an arbitrary restriction on Members of the Senate. It does not in any way justify itself from the standpoint of Senators performing their senatorial duties.

It only means the final vote to report a bill would be postponed over and over again.

There is not one of us who has not found himself time and time again in a situation where he cannot be in committee A at the time the vote is taken, because of some other official business of equally vital importance or more importance than his being there, and must simply cast his vote and leave. That signed statement is just as significant as his being there and parting his lips to utter the words yea or nay. It is a superficial restriction. I do not think that Senators should be subjected to that kind of arbitrary "rulism" in the Senate.

Mr. LONG of Louisiana. Let me talk again about the proposal to set up a separate veterans committee. Veterans organizations have felt they might be able to get more benefits for veterans if a committee did nothing except look after the benefits of veterans. Perhaps they are right. Perhaps they might get more money from the Government in that way. However, I am sure they would not make the case that they have not been treated fairly by committees considering the matter.

I have a report from the Committee on Finance detailing a few facts which the Senator from Oregon perhaps did not hear. The cost of veterans' benefits after every war has exceeded the cost of the war. The peak of veterans' benefits is usually reached around 50 years after the war.

The projected figures as of 1956 for veterans' benefits already enacted—and these figures are out of date because additional increases in benefits have been authorized—were $371 billion.

We had a matter suggested to us in the committee which would double the cost of those veterans' benefits. That proposal would have meant that the projected veterans' benefits would then be over $750 billion.

The Committee on Finance looks into all of the problems of this Nation. The Committee on Finance has to consider most of the matters of income problem with regard to retired people and people who need help from their Government and have the right to expect it. The committee did not feel that this was the time to take that action.

I would submit that with respect to an item that is going to cost the Government $370 billion over a period of time it should be carefully considered, whether that committee should be one such as the Veterans Committee would be, composed of junior Members serving their first term in the Senate—many courting the opportunity to go on senior committees of the Senate—or whether the committee handling matters of that sort should be one of the senior committees, composed of men who have been elected and reelected, three or four times in many instances, and men who by virtue of their service and having been elected and reelected have earned the confidence of their people.

If necessary, committees composed of senior Senators can well afford to reject a veterans matter that would cost $370 billion, a figure exceeding the national debt. They would have enough confidence in their own stature and judgment, and their people would have demonstrated enough confidence in them that Senators sitting on that committee, one of the Senate's senior committees, could in good conscience and honor take whatever action might be necessary to turn down a veterans bill where the demand is excessive and the cost unreasonable.

Occasionally, I have had Senators tell me that they would like to be rid of veterans' legislation; that it would be just fine; that they would rather not be bothered with it. But I say to them, that is your duty, Senators. Senators are going to have to bother with it one way or another, if not in committee, then they will have to consider it on the floor of the Senate. Senators should not and cannot shirk their duty.

Legislation of the type I have referred to would cost hundreds of billions of dollars. To oversee such legislation, we should have a senior committee, such as the Committee on Labor and Public Welfare or the Committee on Finance, which has shown every consideration for veterans.

I wish to ask how many Senators who have had their names placed on a bill to create a standing Committee on Veterans Affairs want to serve on that committee, especially if they have to give up one of the more senior and sought-after committees in the Senate to serve there.

The record, as I have spelled it out here in great detail, shows that the existing committees have been most considerate of veterans. The only bill that the veterans can say we have consistently refused to pass for them was a measure whereby a person could be more than 100 percent disabled and get more benefits than if he were dead, or get more benefits than if he were totally disabled. I refer to the bill which would provide additional specific statutory award for each anatomical loss of the veteran. We rejected this holdover of an outmoded concept, when we initiated the compensation program. We declined to agree to a plan whereby a veteran could be more than 100 percent disabled. The question was whether a person could be 200 percent disabled. The House has sent us such a proposal a number of times. We could not see the logic of trying to contend that anyone was more than 100 percent disabled.

With that exception, every veterans measure that has been submitted and pressed for has been considered, and we have reported those matters.

Mr. President, in my prepared statement I have proposed that if this measure is recommitted, the committee should consider two additional items not in the bill, but which I think should be considered as part of doing a thorough job.

One which I believe would be appropriate would be to permit an absent Senator to vote on up to five occasions a year if he is necessarily absent and has directed how he wishes to be recorded.

This would make it unnecessary for us to wait for someone who is delaying matters or stalling or to wait for someone to return, because Senators sometimes decline to give a pair because they want to be on record as voting.

In my opinion, another item which would expedite procedure more than most items already in the bill, would be to install a pushbutton voting machine such as are now installed in State legislatures. This would be done without any rule to define how it should be used. I have no doubt that over a period of time the Senate would arrive at a procedure which would make such a machine useful in this body, and save the Senate untold hours.

For example, when someone would suggest the absence of a quorum in the Chamber and one wished to get on with

the business by agreement, we might use the voting machine to determine quorums when it could be agreed that it would be appropriate to determine that a quorum was present.

In other words, in some cases, a Senator may wish to suggest the absence of a quorum merely to delay matters temporarily while Senators discuss a matter among themselves, or something of that sort. That is one way. But in other cases, the law requires the Senate to determine that a quorum is present. When that is the case, it would seem to me that a voting machine could serve that purpose without prejudicing the rights of any Senator which are presently enjoyed.

Thus, here are two additional suggestions which could be made, in addition to a great many objections which I have spelled out; and I would ask that the amendments be printed—I think that most of them are at the desk now—so that they will be made available.

The PRESIDING OFFICER. Without objection, the amendments will be printed.

TRADE EXPANSION ACT

Mr. LONG of Louisiana. Mr. President, I hold in my hand a speech recently delivered by the Senator from Illinois [Mr. DIRKSEN], in which he discusses a range of subjects.

Particularly interesting is his discussion of trade policy in this country and some of the problems which will be entailed in consideration of the Trade Expansion Act which must come before us.

Mr. President, 5 years ago the Congress considered an unprecedented grant of tariff bargaining authority to the President. The purpose of the Trade Expansion Act of 1962 was to enable the President to enter into negotiations with the European Economic Community which would preserve access for U.S. exports to that area.

A major component of our exports to the Common Market consists of agricultural commodities. Agricultural export trade is of great importance to the economy of the entire Nation. Nothing that has happened in the 5 years since the enactment of the Trade Expansion Act is a cause for any optimism or rejoicing about the possibility of this Nation preserving reasonable access for its agricultural products to the Common Market.

The administration has repeatedly assured Members of the Congress that there would be no reductions in duty on industrial products unless the United States secured concessions which would grant increasing access for exports of its agricultural products to Western Europe.

Now, any fair reading of the news from Geneva over the past several months—indeed, over the past several years—puts us on notice that there will be little, if any, improvement in the position of the United States in individual farm commodities, and very likely a worsening of our position as a result of the impact of the Common Market's agricultural policy on foreign trade.

The failure of effective bargaining in the agricultural area is not our only problem in the Kennedy round. On the domestic side, many of us in the Congress have become increasingly concerned over the possibility that the U.S. negotiators will offer sweeping reductions in U.S. industrial tariffs on an across-the-board basis regardless of the acute sensitivity of some sectors of our manufacturing industries to import injury.

In the acutely sensitive area of the products protected by the American selling price system of customs valuation and import duties, the members of the Senate Finance Committee have been alarmed by the administration's negotiating procedures to the point of sponsoring and securing the passage by this body of Senate Concurrent Resolution 100 during the past session calling upon the President to limit his negotiations to matters on which he was given specific authority in the Trade Expansion Act.

In the midst of these discouraging developments, many Members of the Congress have sponsored amendments to the Antidumping Act in an effort to secure a more effective protection of the domestic market against unfair trade practices in which foreign-produced goods are sold for export to the United States below the price at which they are marketed in the country of origin. It is fair to say that there is widespread dissatisfaction in the Congress and in industry with the administration of our Antidumping Act.

Mr. President, these matters are dramatic evidence of the necessity for a thoroughgoing inquiry into our foreign economic policy during the 90th Congress. The scope of the inquiries which can usefully be made has been very effectively described by the distinguished minority leader in an address which he delivered before the annual meeting of the Trade Relations Council in New York on December 3.

While I disagree with a number of the statements extolling Republican virtues and achievements, I respect the right of the Republican leader of the Senate to make them. So that the minority leader's perceptive analysis of the current situation can be made available to all of the Members of this body, I ask unanimous consent that his address, including his introduction by the chairman of the Trade Relations Council, be placed in the RECORD at this point.

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

INTRODUCTION OF AND ADDRESS BY THE HONORABLE EVERETT MCKINLEY DIRKSEN, MINORITY LEADER, U.S. SENATE, BEFORE THE ANNUAL MEETING OF THE TRADE RELATIONS COUNCIL OF THE UNITED STATES, NEW YORK CITY, DECEMBER 3, 1966

INTRODUCTORY REMARKS BY MR. JAMES M. ASHLEY, CHAIRMAN OF THE TRADE RELATIONS COUNCIL

Ladies and Gentlemen: I can imagine no honor more gratifying to me than to present the beloved American statesman at my right to this audience. Every person in this room has for many years been familiar with his face, his voice, and his perfectly astonishing record.

He has managed somehow, as captain of forces that have been beleaguered and outnumbered, to exert an always wholesome influence on the legislation that shapes our way of life, and as businessmen, taxpayers, and citizens and legators of the world we leave to generations to come, we are beholden.

It is only his very early years that may be less well known—the early years that shaped the man he has become. When he was a boy of five, he lost his father. As a youngster on his way to Pekin High School, he peddled the produce he helped to grow on his mother's farm. By working as a clerk in the advertising department of the *Minneapolis Tribune*, as a helper in a railroad office, and as a lawyer's assistant, he met his college expenses at the University of Minnesota.

When his country was engulfed in a world war—he couldn't know then that it was to be some day known as World War I—he enlisted as a private in the Army, was sent overseas, and won promotion to lieutenant in the field. Returning to his home town, he spent eight years in business before being elected Commissioner of Finance in Pekin, Illinois. In 1932, he was elected to the United States House of Representatives. During the first two of eight consecutive years in the House, he completed his law education at night school and was admitted to the District of Columbia and Illinois Bars in 1963. As you can see, by the time he was elected to the United States Senate, defeating the Democratic Majority Leader for the job, the mettle had been hammered on the anvil and tempered at the forge.

There is only one other role this remarkable man has played which, because it is brand new, may be unknown to some of you. He is now a recording star. In the vernacular of the trade, he's cut a platter that will stand at the top of the all-time Hit Parade. Backed by chorus and orchestra, he narrates stirring episodes from this country's past, including, you will be glad to know, The Gettysburg Address. I can think of no other contemporary American as well endowed by experience, philosophy, and scholarly interests to breathe life into the stories that are our common heritage.

We have heard him referred to as "Horatius at the Bridge" as "the living voice of our fathers," as "the shadow of a rock in a weary land." Surely the triumph of his party at the polls last month was the truism of the man who has so proudly borne its standard through all the lean years.

Ladies and gentlemen, The Honorable Everett McKinley Dirksen, United States Senator from Illinois.

ADDRESS BY SENATOR DIRKSEN

Well, Mr. Ashley, I must say that you have covered the waterfront, and I am deeply grateful. You make me feel like the widow sitting in the front row listening to the minister and all of his encomiums on the deceased who lay in state in front of the church. She said to her son who was beside her, "You better go and look in that coffin and see it that's your own paw in there."

Frankly, I am delighted to be here as your guest. Perhaps the first thing I ought to do is to look at a watch. But I am going to be forbearing and careful and not detain you too long. Besides, you're going to have to hear a read speech.

Some years ago I received a telegram from the executive director of the Denver Chamber of Commerce. He said, "We would like to have you come and deliver the annual address to the Denver Chamber. We do not want a 'read' speech." Well, it intrigued me so, I wired back and said, "Do you mean RED or READ?" Then I got a very succinct telegram. It had to be succinct because it had only one word in it. It said, "Both!"

I don't do it very often, but I would assume that on this occasion I better stick to a text because I want to be sure that if the press is going to use any of this material, they will know that I said it. You see, they're always very, very cautious about that!

Now, I am never sure, when I am invited, that I am going to reach my destination and make a speech, so I want to say to all of you how glad I am to be here on this occasion.

I recall a man with a nagging wife who nagged him from the time they were married until she was gathered up in the bosom of Abraham. That's a polite way of saying she died. When the services were conducted at the graveside, there came a great rolling peal of thunder and a jagged bolt of lightning in the sky. The bereaved husband contemplated the phenomenon for a moment, and finally tapped the minister on the shoulder and said, "Parson, I think she made it."

I am delighted that I made it.

Now at the very outset, let me set you straight should any of you have any idea that I am an expert in this trade field. I have worked at it a long time, but I think it would be deceptive on my part to persuade you that I am an expert, because I am not. I try as best I can to understand this subject and then come to what I think are some unshakeable conclusions.

Now, at least I have a little history and background on my side because it was in 1934 that I first voted on the very first Reciprocal Trade Agreements Act. That's when Cordell Hull of Tennessee was the Secretary of State. A lot of things have happened since that time, an amazing lot of things. Even my son-in-law was elected to the Senate from Tennessee on November 8, 1966. That shows you what can happen.

But once upon a time, in the history of this country, the tariff and the duties imposed on imported articles appeared to be the only real issue between the major political parties and it got quite intense. I attended my first political rally when I was five years old, and that is when I first heard the word "tariff" and I've been hearing it ever since and dipping into the trade field. But it was quite intense in the old days, and I think there is nothing that so well illustrates it as what happened to a tramp trudging the dusty highway of South Dakota, and about noontime he wandered into a farmyard where a farmer was unhitching his horses, and asked whether he could get something to eat. At first the farmer demurred and then said, "Oh, well, we've got a very humble place and we're quite impoverished, but whatever we have we'll share with you." Of course, what alarmed the farmer was he had shot a pheasant out of season and they were having it for noonday lunch, and he couldn't tell whether this tramp might be a game warden in disguise. But at least he invited him in.

As they sat at this humble table, this invited guest began to make fun of the place. How shabby it was. What frightful furniture they had. And then at long last he began to make quite unfitting remarks about the farmer's wife and the shabby calico wrapper that she wore. Girls, you remember when they called those Mother Hubbard dresses wrappers? I guess they've gotten out of the habit today. But all this went on and then something happened because the farmer found himself in court a few days later and he was charged with assault and battery on this tramp. At long last, the judge, who knew the farmer reasonably well, said, "How come you bashed in his head with a piece of stove wood?" "Well, Judge," he said, "when he talked about our habitation, I didn't mind, and when he talked about the faded wallpaper, I didn't mind, and when he made all these unkind remarks about my wife, how ugly she was, and how ill-dressed she was, I didn't mind, but damn it, when he talked about the tariff, that's when I hit him!"

So, you see, it was a subject that developed a lot of consternation and a lot of interest in our country. And so I want to share with you a few thoughts and later, when the 90th Congress convenes on the 10th of January, and the time arrives and there is something to be done in the Finance Committee of the Senate, in view of the fact that the Trade Expansion Act must be extended into the following year, or this coming year, why, that's going to give us an opportunity to examine into this whole problem.

A month hence the 90th Congress will convene. The American voters have made decisions regarding the composition of the 90th Congress which give it great promise for constructive work.

The American people have expressed emphatically their lack of confidence in a continuation of the philosophy pursued by the Democratic Administration during the past several years. A line has been drawn against further Federal innovation in an attempted reshaping of the very structure of American society.

The American people by their stunning expression of confidence in the Republican Party at the polls have cried out in an overwhelming voice, "Let us have moderation, prudence, and reason in the conduct of our national and local governmental affairs."

I can tell you with some authority that the Republican members of Congress, trained by necessity to be zealous and effective beyond their numbers, have the heart, the talent, and the will to supply what the people have demanded.

And I can amplify that and say I know because when you have the leader of the minority and you have only one-third of the troops in the Senate on your side, you will know what it means when the steam roller goes over you. It always reminds me of that fellow who was actually run over by a steam roller one morning and he picked himself up, brushed himself off, and he said, "My wife told me to bring pancake flour when I come home tonight."

The high quality of the additions to the Republican ranks in the 90th Congress is impressive. With these welcome reinforcements the Republican leadership in the Congress will be able to deliver constructive oversight to the existing programs and enlightened moderation in meeting the needs of the Nation during the next two years.

The Nation's foreign trade policy is an item of major importance on the agenda for action in the 90th Congress.

Our foreign trade policy is in great disarray. Let us consider some of the gravest areas of the shambles which have been made of our traditionally bipartisan foreign trade policy. And the first thing that I will discuss with you briefly is this whole controversial and challenging subject of the balance of payments.

Balance of payments

First, consider the balance of payments crisis. We have had a deficit in our international payments in excess of $2 billion during each year of the Kennedy-Johnson Administrations except in 1965 when emergency actions of a temporary nature to check capital outflows reduced our deficit below the $2 billion mark.

I can testify personally on that subject as a member of the Senate Finance Committee because I listened to the Secretary of the Treasury and all the experts that they sent to us and chimed in in the hope that we could find something that would meet this balance of payments challenge, and it hasn't been met to this good hour.

During the first 9 months of 1966, our balance of payments situation has developed at about the same rate of deficit as we experienced in 1965. We haven't made any real progress. The credit restrictions and the high interest rates which have characterized the Administration's fiscal policy during these months, accompanied by uncertain foreign developments, have resulted in an inflow of dollars from abroad.

There is a danger that this short-term improvement will conceal a disturbing trend affecting our merchandise balance of trade, in which you have a particularly abiding interest.

Imports, especially of manufactured articles, have been increasing more rapidly than our exports.

U.S. imports rose by 15.5 per cent in 1965, compared to an increase of only 4 per cent in our exports. Let me just repeat that figure, 15.5 per cent in 1965, and I think that you will find that these are authentic. As a result, our balance of trade, excluding exports financed by the United States, declined by nearly $2 billion in 1965 compared with 1964. And believe me, two billion "ain't hay" even in the great Empire City of New York.

During 1966, our exports remained steady during the first and second quarters, and increased by only 4 per cent in the third quarter. Imports in the third quarter increased by nearly 7 per cent over the second quarter, and 11 per cent over the first quarter. As a result, our merchandise trade surplus at an annual rate is off by more than $1 billion, 1966 compared with 1965.

Our merchandise trade surplus is being rapidly eaten away by swiftly rising imports. The magnitude of these losses exceeds the contributions to our balance of payments voluntarily made by businessmen in curtailing foreign investments at the urging of the Administration. Some wonder that Secretary Fowler describes the trade balance as "our major concern!" Oh, how he and Secretary of Commerce Connor have scolded and preached to the businessmen of this country, and said, "Now, you cooperate with your government and don't invest this money abroad, and give your country a break!" Generally speaking, they have been all too willing to assist, and yet, we're quite behind the "eight-ball" when it comes to the balance of payments and still find that our surplus in the trade field is being dwindled away.

The Kennedy round

Under these circumstances, moderation and prudence would seem to require that the United States be very selective about further reductions in U.S. tariffs in trade agreement negotiations.

In the Kennedy Round—and goodness, how much we've learned about things from the Kennedy Round! However, the United States is proposing to reduce *all* of its duties on industrial products across the board by 50 per cent with only a bare minimum of exceptions.

Our exports are handicapped by many forces other than duty rates. The numerical reductions in those rates which the United States might secure in the Kennedy Round may be quite ineffective in boosting our exports. The reductions in duty which we grant as a reciprocal of that action, where tariffs are the sole deterrent to the entry of foreign goods into the United States market, can aggravate our already serious balance of payments situation.

When the Trade Expansion Act of 1962 was enacted by the Congress, the Republicans in the Senate tried strenuously to secure amendments which would assure selectivity in trade negotiations. The Republicans voted solidly for the retention of the peril point and escape clause procedures which had become a part of our trade agreements tradition, but the Democrat majorities were insistent upon repealing these provisions. You recall so well in earlier years when we fought out this issue of the peril point and the escape clause, and then succeeded, and then only to discover that these safeguards, inadequate as they were, were finally repealed.

Solemn assurances were given that provisions of the new law calling for public hearings by the Tariff Commission would afford the President with a basis for discrimination in the selection of products for trade agreement negotiation.

Notwithstanding these assurances, the Administration committed itself to across-the-board reductions in duty of 50 per cent subject only to a bare minimum of exceptions in May of 1963, some six months before public hearings commenced. That's like being sentenced before you've had your day in court. Selectivity became another dishonored promise.

In the Kennedy Round, the Common Market countries have injected many issues into the negotiations which make it extremely doubtful that the U.S. export trade will actually be benefited. The Europeans reserved a most extensive list of the products of their industries from reduction. You see, we're not so timid. We reserved only a very bare minimum, but they reserved quite an extensive list.

Our agricultural exports to the EEC, of vital importance to our farm economy, have been sharply limited by the variable import levy system established by the EEC. They are subsidizing increased production of farm products under the forced draft of high farm subsidy payments, and protecting that by duties equal to the difference between the world price and the high support price. When our negotiators demanded a reduction in the size of the variable levy, the EEC countered with a demand that we change our own farm policy.

The outcome seems clear: American farmers will be injured by the arbitrary common market farm policy. Now, I can't say that this is absolutely gospel, but I had them try to verify it, and I understand that the American Farm Bureau or Federation had already resolved and demanded that the negotiations stop over there because our farmers are going to be left out and they are going to get the short end of the stick.

Nevertheless, the United States appears intent upon concluding an agreement which will not repair the damage to our farmers, while inflicting new damage upon our manufacturing industries. It looks very much as though we are offering to give them our shirt in exchange for a handkerchief!

Nontariff barriers are the chosen instrument by which the Europeans limit trade. Chiefly, they shunt Asiatic products into the U.S. market by such devices. The Europeans, evidently believing that a good offense is the best defense, have launched a spirited attack upon the United States antidumping laws and the American Selling Price valuation system, claiming them to be nontariff barriers, while we are still on dead center as to their host of devices. We find ourselves embroiled in the possible negotiation of an international antidumping agreement whose chief purpose appears to be the weakening of U.S. laws and procedures vital to American industry.

Under our import system, the antidumping law is of great importance to the maintenance of fair competition between U.S. and foreign goods in the American market.

The American Selling Price value system is the very foundation upon which certain labor-intensive industries such as those producing dyes, dye intermediates, medicinals, and other benzenoid chemicals, and rubber-soled footwear are able to exist in the face of the far greater competitive advantage and the cartel practices of foreign producers. Now efforts are being made to destroy this foundation and these industries by improper procedures.

Nothing in the Trade Expansion Act or its legislative history authorizes the Executive Department to enter into trade agreement negotiations on such topics. Yet, characteristically, the limits set by Congress are ignored. The end is offered as justifying the means. I doubt that the Congress will ratify such actions. They are alien to the partnership which has existed between the Executive and the Congress during the three decades of history under the trade agreements program, and which ought to continue, if each side will respect the prerogatives of the other.

Enough has been said to make it obvious that a fundamental reorganization of our approach to trade negotiations is required. Congress must supply more specific standards and procedures for the use of authority delegated to the Executive.

I remember some early experiences before the government committee appointed to listen to domestic industries. I went down there in the interest of an industry back home, and very dutifully presented my case, and I discovered afterward from some of the personnel that they didn't intend to pay any attention to those who came down representing industries that were being injured by that program. All too often that becomes a habit and a way of life, and a state of mind in a huge governmental structure, and it puts your industry in danger when you're up against the possibility of huge exports from abroad.

Now, I could inject one other note. It doesn't appear in this piece of paper, but, you know, over there they're developing what they call a "guaranteed" year's work. It could be 48 weeks, it could be 50 weeks out of 52, but whatever it is, the employer guarantees that much work, and so the machinery continues and the products flow forth at the end of the assembly line. If you can't sell them in the domestic market, what happens? You pile them outdoors somewhere, if they'll stand the weather, or put them in the warehouse. But you can't invest your capital in stuff sitting out there without finding the sales. And then what happens? Well, look for a market abroad and dump it and get what you can for it. And that is still another factor in this whole picture.

Renewal of the Trade Expansion Act

There are urgent problems in international trade crying out for solutions. Foremost is the plight of less-developed countries. Their balance of payments are seriously affected by a worsening of the terms of trade in the primary commodities which they produce for export in comparison with the finished products which they must import.

They are denied equitable access to the markets of the world for their products and are handicapped in raising their standards of living through the sale of goods in export markets. Thus far the United States has turned a deaf ear to the pleas of these nations for preferential trading arrangements, while offering no specific alternate solution to their problems.

This is an area where the United States should be supplying leadership to the other developed nations, rather than in the exhaustion of our negotiating talents and energies which have characterized the Kennedy Round in bargaining which primarily affects only developed nations.

Another major problem area involves the impact on our own industries of the system of taxation and export incentives followed by Western European nations. To their import duties these nations add a tax collected at the frontier before U.S.-produced goods can gain entry. This tax in theory is supposed to equalize a tax imposed upon value added by manufacture on goods produced within these countries. We have no similar "equalizing" tax.

Trade agreement negotiations concern themselves only with "customs duties" while leaving untouched the restrictive charges cast in the form of equalization taxes. Tariff concessions give the Europeans a direct access to our market, but their concessions are of no avail where access is denied by frontier taxes. Even before a pair of shoes can cross the frontier of those countries there is still a decided competitive advantage on their side.

This does not end the unfairness. Producers in European countries secure a remission of taxes paid on goods which are exported. Thus, their exports to the United States are subsidized by a monetary payment equal to the tax. If that sounds so awfully abstruse, suppose European industry can make an item for two dollars and we make it for two dollars? And then suppose the government over there says we charge you five cents tax on the product, so we'll remit your tax. So, you see, that costs them only $1.95 as against two dollars over here. Now, if there are other things like subsidies, they might drop that cost to $1.90. You can see the advantage that a competitor abroad has over an American producer. The result is to reduce the ad valorem equivalent of the duties collected by the United States on such goods.

So, their duty rates understate the level of charges imposed on our exports, while our duties overstate the actual level of protection accorded our industries. Their use of c.i.f. value for duty and tax payments intensifies this inequality.

A third major problem area: Congress enacted customs simplification laws to expedite the processing of the ever-growing volume of import entries at U.S. ports.

I remember when that customs simplification bill was before the Senate Finance Committee. It seemed like a can of worms. It was a baffling, bewildering business. But we thought we had finally worked it out. Recognizing that some of these procedures removed protection against undervaluation of imports subject to ad valorem duties, the Congress called for a more vigorous and effective enforcement of our antidumping laws. While the Treasury Department sponsored amendments to the Antidumping Act and altered the Antidumping Regulations, it has failed to provide the type of vigorous enforcement of the antidumping procedures which the Congress expected.

As a result, a growing number of American industries is clamoring for reform by the Congress of the antidumping laws and procedures. Attention to this problem is long overdue.

A companion piece is the seeming acquiescence of the Treasury Department in the practice of European countries of subsidizing exports through the remission of internal taxes. Doubtless the Treasury Department finds the practice so widespread that if it undertook to impose countervailing duties on imports which receive the benefit of such an export subsidy, it would have to include virtually all products imported from Western Europe. Doubtless the diplomatic repercussions of such a move are not lost upon the Administration. But what is more important? The reaction of the diplomats, or is it the protection of American industry and the kind of protection to which they are entitled?

The painful consequences of enforcing U.S. laws, however, are not a sufficient excuse for their nonadministration. The fact of the matter is that the use by other nations of practices which give them an unfair advantage in competing with American goods in the United States and foreign markets is widespread. If that branch or that part of the executive branch of government does not adequately enforce the law in the interests of the manufacturers, the producers, and the labor of this country, they can plead inadequate personnel or assign any reason they please, but none of them will satisfactorily answer the problem or meet the objection that the Congress, in my judgment, will have to nonenforcement or inadequate enforcement of those customs laws.

I have mentioned three major problem areas affecting the foreign trade of the United States. There are others. All should be investigated and remedied by positive legislation.

I am not suggesting that the Congress should not consider an extension of the Trade

Expansion Act in some form. Now, it is important that nobody goes away from here under any misapprehension. I don't want anybody to get the idea that we are a lot of hardened reactionaries, because we're not. I am indicating that the Congress should include in its consideration these major problem areas which I have outlined, and others, so that the resulting legislation this time will be balanced and provide the Executive with sufficient direction and power to contribute to an improvement in the total United States foreign trade position.

That, I think, is a tolerant, forbearing, fair and equitable position to take. Now let's look for a moment at the relationship of trade policy to domestic employment.

The relationship of trade policy to domestic employment

Your Council has performed a notable service in its recently published study on the subject of "Employment, Output, and Foreign Trade of U. S. Manufacturing Industries." Your study indicates that U. S. manufacturing industries subject to more rapid rate of growth of imports than of exports during the period 1958 to 1964 account for *nearly two-thirds of total employment* of all manufacturing industries included in your study.

Further, your study shows that 70 per cent of manufacturing employment is in labor-intensive industries. In these industries, in other words, where intensive labor is the large component, the job displacement from imports is higher than in capital-intensive industries. Of these industries, there is a group which supplied more than a million and a half jobs in 1964 where the share of the U. S. market accounted for by imports in 1964 exceeded 5 per cent.

In these industries, an absolute decline in employment accompanied the rise in imports in recent years. The loss of jobs associated with the unchecked rising imports in these industries may forecast the fate of other labor-intensive industries where the rising trend of imports will soon reach the 5 per cent import penetration mark.

You can go through the roll of American industries and in virtually every basic sector you will find manufacturing industries that are in trouble as a result of rising import competition.

Imports have been rising so rapidly as to cause market disruption in textiles, apparel, lumber products, dyes, dye intermediates, and other benzenoid chemicals; leather products such as shoes; stone, clay, and glass products such as ceramic, tile, china, flat glass, and other glassware; in the basic primary metal industries such as steel, zinc, and aluminum; in fabricated metal products such as industrial fasteners, hand tools, and wire products; in nonelectrical machinery including papermaking machinery, typewriters, and sewing machines; in electrical goods, including, especially, electronic apparatus, tubes, and components; in transportation equipment, scientific instruments, and a host of miscellaneous manufactured goods.

High capital investment and advanced technology are no guarantee against import injury, as the worsening situation on man-made fibers and textiles would indicate.

Under the unworkable adjustment assistance provisions of the Trade Expansion Act, it is impossible for any industry to secure tariff adjustments to correct mistakes in judgment made by trade agreement negotiators in reducing U. S. duties. The Congress and the Executive tacitly recognized this in passing the law authorizing the Canadian-U.S. Automotive Products Trade Agreement with its own special tariff adjustment provisions.

And I remember when it was reported by the Senate Finance Committee and taken to the floor of the Senate because there you had a special tariff adjustment provision. The more workable provisions of that law should be extended to all other industries and groups of workers.

Exports traditionally account for a very small part of the gross national product of the United States, in recent years, only 5 per cent. The internal U.S. market represents the world's most dynamic outlet for manufactured goods of every description. How the world wants to come into the American market! It is just a question of being fair and equitable. Our trade policy should provide access for foreign products in this market. This access, however, should not be on such a scale and so free of limitations as to rate of increase as to deny access to U.S. producers in the growth of the American market.

And don't think for a moment that the negotiators for other countries aren't thinking of number one, meaning their employees and their industries and their employers. And we would certainly be lacking almost in good faith, in a sense of equity, if we didn't think of our own country certainly in an equal way, if not putting them number one on the list so far as our concern and our solicitude is concerned.

The danger in our trade policy today is that, wholly lacking in balance, it does not possess the means for adjustments in tariffs or the use of other means to regulate the increase in imports in a manner consistent with the best interests of U.S. workers and their employers.

Conclusion

From these thoughts I trust that you will understand my deep conviction that it is time that the Congress restore some semblance of fairness and balance to our foreign trade policy and procedures. We must be as zealous in our concern for the welfare of American workers and their employers as we are for those living in distant lands. Nobody quarrels about that. Let us be fair and give our own people an equal share.

The advancement of the common good, which is the object of our system of laws, should include in an area as important to the welfare of our Nation as foreign trade, means for the achievement of equity and fairness between American citizens using their labor and capital to produce goods inside the American market, and our neighbors abroad who understandably desire to secure and improve their access to our market.

We must not knowingly weaken the financial and trade resources of the United States to a degree that any nation or group of nations is able to dominate U.S. policy. Because that is what it would amount to.

Whether the threat to weaken our economic system comes from the East or the West, we as a people and especially your representatives in the Congress must be farsighted enough to strengthen the American system by our wise adoption of laws calculated to foster America's strength and economic growth, rather than submissively to accept policies whose chief contribution is strengthening other nations at our expense.

I have one additional thought. You see, I was around Washington when we started in with the foreign aid program. I remember when Secretary of State George Marshall made that speech at Harvard, and it was only one paragraph. That was the nucleus out of which the foreign aid program was born.

Guess what we've spent in that time. Well, it is somewhere between one hundred twenty and one hundred forty-four billion dollars! That is what we have lavished on other countries. We did this to help them up the ladder.

Now, it seems to me that since the foreign aid program is twenty-two years old, it has come of age and the time has come, as we survey our own jobless, our own problems, our own future, the plight of our own industries, that our eyes turn inward just a little to preserve a strong economic system in a world that is full of turbulence and fever. Is that too much to ask? I do not believe so.

Thank you so much.

ALTERNATIVES TO TIGHT MONEY POLICY FOR 1967

Mr. MORSE. Mr. President, for the past 2 years the Nation has been faced with the problem of selecting proper financial policies for a period during which the combination of abnormal military and civilian demand has been pushing against the limits of our capacity.

In my judgment, the country took the wrong turn toward a tight monetary policy in 1965. As a result, the consequences to the Nation in 1966, and to the lumber and homebuilding industries in particular, were unnecessarily severe. We are now at the beginning of a new year of policymaking for the executive branch, the Congress, and the business and financial communities. As we tune-up for these decisions, it would seem in order to review the events that have brought us to this point, and to examine other options which are available.

It is my feeling that an examination of the costly lessons of the past year can be of assistance in developing a fairer and more mature financial program for 1967.

THE PROBLEM AND ALTERNATE SOLUTIONS

By the end of 1965, strains in the economy had become apparent. Interest rates were at the highest point in 30 years, spending associated with U.S. involvement in Vietnam was in the process of rising steeply, and the persistent balance-of-payments deficit remained an underlying source of weakness in our international position. Needless to say, the highest officials of government, including the President, were actively engaged in considering what policy responses would be appropriate.

Among the choices open to our policymakers were: First, tax or fiscal measures; second, higher interest rates and other credit regulating devices; third, budgetary restrains; or, fourth, a mixture of these and other Government policies.

It was generally recognized, at that time, that coordination among the various agencies might very well be desirable. It was also common knowledge that the President's January budget would be an important factor, especially since it was expected to reflect growing defense expenditures in southeast Asia.

UNILATERAL ACTION

However, the Federal Reserve Board decided that it would not wait. On December 6, 1965, the Board raised the discount rate from 4 to 4½ percent and authorized banks to pay up to 5½ percent on certificates of deposits.

CRITIQUE

Shortly after this decision was announced, it was made the subject of an inquiry before the Joint Economic Committee of Congress. At the public hearing on December 13,[1] one of the Board's

[1] "Recent Federal Reserve Action and Economic Policy Coordination," Hearings before the Joint Economic Committee, 89th Cong., 1st Session, Dec. 13–4, 1965. The quoted statement by Governor Sherman J. Maisel is at page 26.

Governors characterized the action as follows:

(1) It was done at the wrong time; (2) it was done in the wrong way; and (3) it was done for the wrong reasons.

The timing was incorrect because of the absence of vital information—both as to the size of increases to the defense budget, and as to how the administration proposed to provide for them. The method was incorrect because it denied the Nation the benefits of coordination between its best thinkers in all departments and agencies. Instead, it committed the country, initially, to a single approach to restraint—the monetary policy of tight money.

We are thus obliged to look closely at the reasons which the Board felt were compelling in acting as they did.

In the Board's explanatory release, two of the three reasons cited related to the international balance of payments.[2]

Then as now, responsible public officials would concede that the balance of payments is a problem of the highest priority. In September 1965, Secretary of Commerce John T. Connor addressed himself to this situation as follows:

In every instance I have described the problem in such terms as "serious," "urgent," and "critical," and I have called its solution absolutely vital to the national welfare.[3]

We know, too, that solution is vital to the international financial system, and to friendly nations which have expressed their confidence in the United States by choosing to hold portions of their national reserves in the form of dollars. There are no arguments about the gravity of the problem.

The question is, however, whether the Federal Reserve system should take the lead in adopting a policy, in this instance tight money, which has both international and domestic effects, and leave the other responsible agencies of Government to adjust as well as they can.

In my judgment, matters vital to the national welfare should not be settled unilaterally by one agency. I feel that this was an error and should not be repeated.

To my chagrin, however, we are seeing signs of renewed activity by advocates of similar policies which might result in similar actions during coming years. The most recent example is a widely publicized speech before the Economic Club of New York on January 18, 1967.[4] It seems to me that the speaker's main point in New York was that "the combinations of general policies and actions are best for the home economy can and should be identical with those needed in achieving a sustainable closing of our balance-of-payments gap," and that the essence of this policy should be "an accommodation of our own interest rate structures and our money flows with prevailing conditions in other leading countries."[5] Since central bank rates in the major industrial countries average 5 percent, compared to 4½ percent in the United States, this formula might be rendered more simply as high, or perhaps even higher, short-term interest rates.

We have already had a year of this, so let us attempt to assess the advantages, and what I consider to be the predominant disadvantages, of attempting to manage our economy in reliance upon tight monetary policies adopted in the name of the balance of payments.

DAMAGE TO HOMEBUILDING AND LABOR INDUSTRIES

As I pointed out to the Senate in my remarks of July 25, 1966,[6] the foreseeable result of the December 1965 action was to favor a handful of large banks, which held the bulk of the certificates of deposit, and to set off an escalation in the cost of borrowed money which increased the interest rates to the highest point in 40 years.

The effects upon the primarily small business lumber and homebuilding industries became increasingly harsh as the year progressed. Housing starts dropped to a fourth quarter 1966 rate about one-third below the 1965 level,[7] building permits fell to the lowest level since the statistical series was started,[8] lumber and plywood prices declined,[9] mills were cut back or closed[10] and many small homebuilders were forced to suspend their operations.[11]

Because the Pacific Northwest is a region supplying materials and products to the housing industry and is also remote from the major credit markets, the impact of this tight money was doubly intensified on my part of the country. A Senate committee reported:[12]

Interest rates for first mortgages on new homes are not uncommon at 7% on the West Coast. The average for the United States as a whole is 6½%.

During the course of the year, I joined with other Senators in bringing this data to the attention of the President by letter and the Secretary of Housing and Urban Development in a personal visit, and strongly supported legislation designed to stabilize interest rates, strengthen thrift institutions, authorize Government agencies to give special support to mortgage markets. I am glad to say that legislation along these lines was enacted by the Congress and will be available to bolster the homebuilding industries in the future.[13]

Some detailed information as to those matters is set forth in my letter of October 20, 1966, to President Johnson, and I ask unanimous consent that the letter be printed at the conclusion of my remarks as exhibit 1.

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

(See exhibit 1.)

Mr. MORSE. Mr. President, these data demonstrate the distortions which occurred in our domestic economy as the result of tight money. Indeed, Governor Mitchell, of the Federal Reserve Board, and many others have admitted that small businesses in these industries "bore the brunt" of the financial policy adopted to restrain inflation.

EFFECTS ON THE TRADE SURPLUS

There were other consequences. High interest rates inhibit exports, particularly by small firms which constitute 95 percent of all U.S. manufacturing and other businesses. The Senator from Alabama [Mr. SPARKMAN] in his remarks of October 15, 1965,[14] quoted respected New York bankers as saying:

Some export loans which under normal circumstances would go through are being refused with regret and some of the smaller business corporations have to face a certain amount of discrimination in favor of larger ones . . .

When the money pool is limited, rationing takes place and the best credits win.

This tendency was present before the December action and was also accompanied by capacity utilization averaging above 90 percent, which meant that it was even higher in some sectors.[15] Still,

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[2] Reprinted in Hearings, loc. cit., pages 13–4.

[3] Address delivered to the Second Annual Outlook Conference, National Industrial Conference Board, Waldorf-Astoria, New York, Sept. 23, 1965.

[4] "Closing the Payments Gap," remarks by Robert V. Roosa, Waldorf-Astoria, New York, Jan. 18, 1967.

[5] "Closing the Payments Gap," loc. cit., pages 7 and 12.

[6] "Action Must Be Taken to End Injustice to Housing and Lumber Industries," remarks on the Senate Floor, CONGRESSIONAL RECORD, vol. 112, pt. 13, p. 17001.

[7] Residential housing starts (including both public and private) for 4th Quarter 1965 were 357,200; for the 4th Quarter 1966, 226,400. "Housing Starts Bulletin," by the National Association of Home Builders, Nov. 17, 1966, page 2 and Jan. 16, 1967, page 2. This amounts to a decline of 36.6%. The Federal Reserve Bank of New York, in its publication "Perspective '66—Economic Highlights of the Year," stated: "The major soft spot in the taut American economy was construction, particularly in the residential sector. Housing starts tumbled most of the year and touched a 20-year low in October." (at page 5)

[8] "Housing Starts Last Month Slipped Again; Building-Permit Drop Signals Further Ebb," *Wall Street Journal*, Oct. 19, 1966, page 2:3.

[9] "Prices of Lumber, Plywood Decline on West Coast—Companies Cite Reaction to Last Week's Labor Pact, Housing Market Weakness—'Long Tough Second Half' Seen," *Wall Street Journal*, June 9, 1966.

The production index for lumber and products charted by the Federal Reserve Board (with 1957–9=100) was as folows:

January 1966	125.6
April	130.7
July	119.9
Oct.	112.0

See Federal Reserve Bulletin, Dec. 1966, page 1829.

[10] Eugene (Oregon) *Register-Guard*, Nov. 4, 1966.

[11] "Many Home Builders Fail, Some Others Cut Back Because of Money Pinch," *Wall Street Journal*, Nov. 15, 1966, page 1, left lead.

[12] Senate Rept. 1428, 89th Cong., 2d Session, Aug. 3, 1966.

[13] Public Law 89–566 made available to the Federal National Mortgage Association $1 billion in authorizations for the purchase of mortgages on moderate income housing.

Public Law 89–597 authorized agencies supervising banks and savings and loan institutions to impose ceilings on interest rates.

Public Law 89–695 raised insurance protection on deposits in thrift institutions from $10,000 to $15,000.

[14] "The Balance of Payments and Exports by Small Business," CONGRESSIONAL RECORD, vol. 111, pt. 20, p. 27135.

[15] See Table B–35, Economic Report of the President, House Document No. 28, 90th Cong., 1st Session, Jan. 1967, page 253. The 91% overall rate for 1966 was the highest since 1951.

there is evidence that exports by small firms suffered and this could only have been intensified by higher interest rates and the unavailability of credits.

This became clear when the trade statistics were compiled, and it appeared that U.S. exports had grown only 4 percent in 1965 and about 10 percent in 1966, while imports grew 14½ percent in 1965 and 20 percent in 1966.[16] As a result, in 1966 our trade surplus fell $1.5 billion to about $3.8 billion.[17] This was nearly 50 percent below the $6.7 billion peak of surplus of 1964, and was the lowest such figure since 1959.[18]

As students of the international finance know, our trade surplus, which charts foreign sales of American merchandise, is the keystone, or as the London Economist has put it:

(T)he rock upon which attempts to right the balance of international payments must be built.[19]

Historically, it has accounted for about 70 percent of all our foreign earnings.[20]

And it is with these earning—

Former Treasury official Robert Roosa pointed out—

that we must cover the foreign exchange costs of our military undertakings, our economic aid, and the entire array of our overseas investments.[21]

EFFECTS UPON CAPITAL FLOWS

It should be further noted that even the "little progress" in the balance-of-payments sector,[22] to which such importance was attributed by tight money spokesmen, was of a temporary rather than a permanent nature.

This stems from the fact that many of the actions of U.S. banks and other companies to improve their individual positions by curtailing investment or repatriating funds are one-shot operations.[23] Most of these accounting gains are achieved only at the cost of longer run benefits to American companies and to balance-of-payments accounts later on.

Likewise, the inflows of short-term capital in response to higher interest rates, which are "clocked through the established statistical machine as if they were lasting investment gains," [24] are actually quite volatile.

The overall picture was summarized admirably by Mr. Roosa, as follows:

A good guess as to the combined effect of these various financial assists to our balance of payments might be (from $2 billion to $3 billion). Tight money had clearly helped reduce the visible size of our deficit. For such a result, in any year, we should no doubt be grateful. But, what can we expect as an aftermath? . . . (T)he gap which tight money alone could not and did not close in 1966—will come out into the open. And if last year's inflows should be reversed, the statistical deficit may be inflated next year in the same way as it was reduced last year.[25]

INCREASED FEDERAL EXPENDITURES

The President's 1968 budget message confirms that another $3 billion—in expenditures during fiscal year 1967—resulted directly "from the impact of tight money on the Federal budget." [26] These increases were composed of $700 million in extra interest, $800 million because of a decline in the expected sales of participations and direct sales of financial assets, and another $1,500 million in the outflow of Federal Government-assisted loans which were needed to compensate for the stringency in private money markets.[27]

POLICIES OTHER THAN TIGHT MONEY AVAILABLE

Although it is generally recognized that the reliance upon tight money last year was excessive, it would be unfair to imply that the Federal Reserve system creates all of the Nation's economic problems, or is entirely responsible for all of the hardships that result.[28]

After all, the full impact of Vietnam costs was not made clear in January 1966.

Also, the executive branch had a choice among a range of policy alternatives and supplementary measures in fiscal, budgetary, and other areas. Some measures of this kind were proposed during 1966 and 1967.

The recent budget message refers to two "tax changes aimed at diminishing—inflationary—pressures" during 1966.[29] This reference is presumably to, first, the "Tax Adjustment Act of 1966" [30] which speeded up collections of existing individual and corporate income tax, and postponed the reductions of some excise taxes which had been earmarked from removal in 1965; and, second, the temporary 14-month suspension of the investment tax credit applying to corporations which is a 7-percent incentive provision placed in the law in 1962.[31]

The former was designed to yield an additional $1.45 billion in revenues during fiscal year 1966—and about $6 billion in fiscal year 1967—and the latter was offered in September with a view to recapturing about $2 billion.[32] The background, however, was of a different magnitude—money allocated to the special support of military operations in Vietnam was in the process of rising from $5.8 billion in fiscal year 1966 to $19.4 in fiscal year 1967.[33] It is thus fair to observe, I believe, that neither measure alone nor both together constituted a tax policy of restraint that was equal in courage and imagination to the tax policy of stimulation embodied by the revenue acts of 1962 and 1964 and 1965.[34]

In proposing a 6-percent surtax on incomes for mid-1967,[35] the President has, in my judgment, made a significant step toward a financial policy that treats everyone in the country equitably, rather than concentrating effects on particular industries or regions. The $4.5 billion of estimated revenues also comes nearer the mark of what may be needed.

This recommendation now goes to the tax-writing committees of Congress, the Ways and Means Committee of the House and then to the Finance Committee of the Senate. When the data for the first quarter of 1966 are available, and the status and tempo of the private economy has been clarified in such areas as housing starts, inventory run-off, and capacity utilization, these committees will be in a position to consider and should consider seriously the surtax proposal.

Another instrument available to the administration is the budget. The President's message this year recognized "the overall economic impact of the Federal budget" and thus made its proposals in a way "designed to help maintain stable economic prosperity and growth—and—to permit lower interest rates—in order to—achieve a more balanced economy." [36]

As an additional step in this direction, the President emphasized the national income accounts method of viewing our economy. This accounting system treats Government transactions on the same basis as those of private individuals and businesses, and includes the operations of such major Government trust funds as social security, and veterans, which now receive and disburse over $30 billion a year. This is a realistic and honest approach to understanding the working of Federal Government as a foundation for the policy decisions which must be made, and I feel that the President should be commended for it.

NEW POLICIES AND INSTITUTIONS BEING TESTED

However, these proposals indicate the Federal Government is just beginning to use the possibilities of budgetary and

[16] "Trade Surplus Narrows Though Export Total Rises, etc.," *International Commerce Magazine*, Feb. 4, 1966, page 2; "Higher Levels of Trade Forecast for This Year," *International Commerce Magazine*, Jan. 9, 1967, page 2.

[17] "U.S. Surplus in Trade Off $1.5 Billion," *New York Journal of Commerce*, Jan. 26, 1967, page 1:1.

[18] Ibid. See also "Perspective '66," loc. cit., footnote 7, page 8.

[19] "Exports in the Balance," *The Economist*, June 12, 1965.

[20] "U.S. Exports and Imports of Goods and Services," *Economic Indicators*, prepared for the Joint Economic Committee of Congress by the Council of Economic Advisors. Calculations based upon the first two columns: total exports and merchandise exports.

[21] "Closing the Payments Gap," loc. cit., page 2.

[22] "Perspective '66," loc. cit., page 8.

[23] "America's Payments—Volunteers Under Protest," *The Economist*, Sept. 4, 1965.

[24] "Closing the Payments Gap," loc. cit., page 2.

[25] Ibid., pages 3–4.

[26] The Budget Message of the President, for fiscal year ending June 30, 1968. Jan. 1967, page 13.

[27] Analysis by the Bureau of the Budget, Jan. 1967.

[28] See, for instance, "On Both Sides of the Tax Issue—Actual Fiscal Policy Results Belie Debate," by Stanley Wilson, *New York Journal of Commerce*, Jan. 18, 1967, page 1, left lead.

[29] The Budget Message, loc. cit., page 8.

[30] Public Law 89–368, approved March 15, 1966.

[31] Public Law 89–800, approved Nov. 8, 1966.

[32] As to the Tax Adjustment Act, see Senate Rept. 1010, 89th Cong., 2d Session, March 2, 1966, page 2. Re: the suspension of the tax credit, see "Suspension of Investment Credit and Accelerated Depreciation," Hearings before the Senate Committee on Finance, Oct. 3, 5 and 6, 1966, at page 315.

[33] The Budget Message, loc. cit., pages 8, 77.

[34] See "A Turning Point in Tax Policy," remarks of Hon. Henry H. Fowler at the Fourteenth Annual Mid-Year Conference of the Tax Executive's Institute, Washington, D.C., March 2, 1964.

[35] See "Explanation of President's Proposal For a Surcharge Type of Tax Increase of 6 Percent," Treasury Department release, Jan. 12, 1967.

[36] The Budget Message, page 7, 12.

tax policy to influence the overall balance of the Nation's economy.

Similarly, it should be recognized that many of the tools for trying to manage our complex economy have been developed in the past half dozen years of the Kennedy and Johnson administrations. In this category are the coordinating potential of the Cabinet Committee on Balance of Payments, the triad and quadriad—periodic meetings of the Secretary of the Treasury, Bureau of the Budget Director, Chairman of the Council of Economic Advisers, and Chairman of the Federal Reserve Board. As a consequence of the congressional concern of which I have been speaking, the Council of Economic Advisers and the Federal Reserve System are now—for the first time—meeting regularly to assess economic conditions and the staffs of these institutions are also coming into closer contact.

There has recently been an international conference aimed at creating a climate in which the United States and other nations can mutually lower interest rates.[37] This seems to have had salutary effects, in such countries as England and Belgium, but as Governor Maisel stated in his recent address at the University of Oregon:

> International harmonization of monetary policies (on a continuing basis) seems a long way off . . .[38]

The tendency seems to be that harmonization takes place at the highest level desired by any country.

Meanwhile, the new tax policies of this period are being tested and modified and other novel techniques are being proposed and discussed.

Out of this process should undoubtedly come a greater expertise in handling the financial affairs of the United States in a complex world.

We are indebted again to Mr. Roosa for a capsule comment:

> Last year (the government) simply did not get the balance right between fiscal and monetary policies. We are all like actors, trying to learn our cues for a new drama before the scenario has been written. In 1966, our improvisations have not been an unqualified success. But . . . there need be no reason why after a good roasting by the critics, the whole performance cannot be turned into a flourishing long run.[39]

We are thus at the threshold of heartening developments in this area. I believe they should be encouraged, and that the policy of relying upon tight money should be dismantled before it does further damage to the economy.

CONCLUSIONS

To summarize, it seems to me, on the basis of what we have seen, that the Nation chose a financial policy in 1965 and 1966 which, for some apparent balance-of-payments gains, sacrificed the principle of equity in our domestic economy. This policy was very costly indeed, particularly for small business firms, in the lumber and homebuilding industries. Overemphasizing high interest rates and underemphasizing fiscal and budgetary policy has also resulted in a deterioration of the Nation's exports and trade balance, which ultimately will be much more meaningful to a permanent solution of our balance-of-payments difficulties.

Adherence to such policies in the future, at the expense of basic fairness in the treatment of the people of the United States, would compound these errors and create others. As Governor Maisel observed in Portland:

> Many of our most urgent unmet needs for housing, education . . . our cities, . . . technology and plant . . . require large amounts of capital investment . . . Penalizing these known needs would be a high price to pay for (attempting to achieve) external balance via internationally determined monetary and fiscal policies.

A review of the newspaper coverage of this issue by three major American newspapers, the Washington Post, exhibit 2; the Journal of Commerce, exhibit 3; and the New York Times, exhibit 4, is persuasive as well as enlightening. I would like to make it available in the RECORD to those concerned.

Therefore, I ask unanimous consent that the material to which I have referred be printed in the RECORD at the conclusion of my remarks as exhibits 2, 3, and 4.

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

(See exhibits 2, 3, and 4.)

Mr. MORSE. What is called for in 1967, I feel, is a better analysis of how governmental policies can be used in concert, and more closely coordinated action by all the branches of government, to the end that all segments of our economy, including small business, can realize their full potential at home and abroad.

CONGRESS SHOULD ALSO HAVE A ROLE

Because this debate continues, and the outcome remains in doubt, I feel that it is increasingly important for Members of the Senate and the other body to inform themselves of the implications of the tight money policy upon their constituents as well as upon the overall well-being of the Nation. The senior Senator from Oregon will be doing all that he can to increase this awareness.

In another area, the Senate Small Business Committee, of which I am a member, has a long record of working to improve export opportunities for small and large American firms. For the past 2 years, it has engaged in the inquiry of the possibility of increasing exports of meats and other perishable agricultural commodities, and has succeeded in having ocean freight rate and air cargo rates on these products reduced from 20 to 30 percent. As a consequence, these commodities are beginning to move to Europe—some experimentally and others in substantial quantity. In the case of quality U.S. beef, these exports were the first in over 40 years.

These are examples of what congressional action can accomplish. I have consistently supported these efforts by our committee, and I shall urge that they be continued and broadened to include other U.S. commodities which are areas of opportunity for our exports, particularly by smaller firms. In this connection, I am requesting the committee to hold further hearings in 1967, and to focus our investigation upon major seaports across the country. This is "where the export action is" and by going to the scene of the action, the committee should be able to come to grips with the practical day-to-day problems of American exporters.

I consider that the reduction of trade barriers and the expansion of exports by small and other American business together with appropriate use of fiscal and budgetary techniques, constitute sound bases for a financial policy which will not only build permanent improvements of our balance of payments in 1967 but will increase long-term profit opportunities for our Nation's business in both domestic and international markets.

I hope that, through the Small Business Committee and elsewhere, I shall be able to make continuing contributions to these vital national objectives.

Mr. President, I announce here on the floor of the Senate today that I have recommended to the Small Business Committee that a series of such hearings be held on the west coast, on the gulf, and on the east coast in the months immediately ahead. When these hearings are concluded we will have gathered a good deal of valuable data from the trade associations, business firms, sea and air carriers, and governmental bodies in the areas of our port facilities, which have such a vital economic stake in the development of our foreign trade program. We will be pleased to make this information, together with our recommendations, available to the administration. We shall be pleased further to cooperate in every way toward strengthening this program, in order that the resources of both Government and business can thus be fully mobilized in the mutual interests of both.

EXHIBIT 1

OCTOBER 20, 1966.

THE PRESIDENT
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: On July 26, it was necessary for me to call the attention of the Senate to the effects of tight money on the housing and lumber industries, and the consequent concern in the industry, Congress, and elsewhere in the Government.

On September 10, action was completed on Senate bill 3688, which you signed into Public Law 89-566. This measure was intended to afford partial but immediate relief.

It is now October 20, more than a month later. Despite the gravity of the situation in residential construction, and despite repeated urging by the Congress, it has evidently been the decision of certain officials to withhold the money made available by Congress, and to decline full use of the authority provided. Although some secondary marketing operations have been started, the impact is limited by the fact that Congress conceived P. L. 89-566 as a two-prong plan, under which full use of the secondary market authority and the special assistance funds

[37] "United States and Four Nations Join to Seek Cuts in Interest Rates—etc.," *New York Times*, Jan. 23, 1967. Reprinted CONGRESSIONAL RECORD, Jan. 23, 1967, page 1197.

[38] "Adjusting Balance of Payments Deficits Through the Capital Accounts," Remarks of Governor Sherman J. Maisel at the 1967 Business Conference, Univ. of Oregon, Feb. 1, 1967.

[39] "Closing the Payments Gap," page 4.

would be used in concert to halt declines in the industry.

Allow me to cite some figures made in my June statement and in a *Wall Street Journal* article of October 19, demonstrating that the declines have not been arrested.

	Rate of housing starts (seasonally adjusted)	Change from same month, 1965 (percent)	
		Housing starts	Permits
May 1966	1,295,000		
June 1966	1,288,000	−18	−25
July 1966	1,088,000		
August 1966	1,102,000		
September 1966	1,073,000	−26	−38

It has been publicly observed that the September figures for housing starts are about the lowest since World War II and that the rate on building permits was lowest since the statistical series was started in 1959. For the country as a whole, this may well result in housing starts dropping to near the 1 million mark in the nation. However, the effect in my part of the country is particularly severe. It is shown in the statement of the National Association of Home Builders that: "The Pacific Coast is expected to bear the highest percentage of decrease in total starts"; and in the September 30th remarks of the President of the Eugene-Springfield Home Builders Association that:

"This unnecessary delay (in implementing P.L. 89-566) is only aggravating the critical situation.

"We urge (action to) get this program rolling *now* while there is still a home building and lumber industry to salvage."

These statements are not moderate. But, the figures are not moderate, and the situation is not moderate. There is reflected what the Senate Report 1428 on the Senate bill made explicit:

"Interest rates for first mortgage for new homes are not uncommon at 7% on the West Coast. The average for the United States as a whole is 6½%."

The impact on the economy of Oregon and the Northwest is aggravated by reason of the position of the lumber industry as a major business. Thus, as housing starts, sales, and permits for all types of residential construction—private and public—continue to decline, the adverse consequences become increasingly concentrated upon the potential home buyers, builders, lumber businesses, and general economy of the Northwest.

It seems clear that further delay cannot be justified or endured. I therefore respectfully request that immediate action be taken, and that arrangements be made so that, upon your return to this country, you can meet with the responsible officials of the Administration in order to direct that the program of assistance provided by the Congress be fully and rapidly carried out.

Sincerely,

WAYNE MORSE.

EXHIBIT 2

[From the Washington Post, Jan. 24, 1967]

BY BOP POSSESSED

In antiquity man was possessed by the fear of a panoply of gods, in the middle ages by demons and in early modern times by witches. Contemporary man, who is little concerned with things supernatural, nevertheless manages to create impersonal hobgoblins, fears that spring forth from the nature of his own social institutions. The concern about this country's balance of payments—BoP—is a case in point.

No Government official fretted more about the BoP than Robert V. Roosa when he served as Under Secretary of Treasury. And that concern was not diminished when he left Washington to join a venerable firm of private bankers. It is everywhere evident in his speech on "Closing the Payments Gap," delivered before the Economic Club of New York.

Mr. Roosa's message is that the BoP deficit—the payments gap—has got to be eliminated. While conceding that the 1966 deficit is no larger than that of 1965, he is nonetheless fearful of the future in which funds from abroad will no longer be attracted by high interest rates. His solution is to prevent the economy from resuming a rapid rate of growth which would in turn increase imports and diminish exports. He said that ". . . if the economy shows any signs by midyear of bouncing ahead from its present lull, . . . the President's income surcharge will be needed."

What Mr. Roosa is saying is that economic growth—higher production, income, and employment—has got to be sacrificed at the altar of the BoP. Why? Because the BoP "serves any nation's economy as a fever thermometer, indicating whether the various organisms . . . are functioning in a way that is both sustainable within and also viable in relations with the outside world."

Dissecting that turgid physiological analog would be a tedious undertaking. Instead one can ask whether there is not something very wrong with an internatonal monetary system that compels the principal reserve currency country to adjust by inhibiting its economic growth. There are viable alternatives to Mr. Roosa's stagnationist policy. The dollar-gold link can be loosened by widening the range in which the dollar price of gold is permitted to vary. Or a "dollar bloc" can be formed with those countries—and there are many—which are perfectly willing to hold dollars as reserves.

Continuing along the present course, possessed by fear of a dollar "deficit" which in fact oils the wheels of international trade, will be a most costly undertaking. It would be sad if the intelligence of a great nation should shrink from considering the alternatives.

EXHIBIT 3

[From the New York Journal of Commerce, Feb. 2, 1967]

TAX URGED TO REPLACE TIGHT MONEY

(By Stanley Wilson)

WASHINGTON, Feb. 1.—New evidence of a nation's monetary policy makers over how far to risk added capital outflow by easing money to pep up the economy—a debate hidden for the most part from the view of outsiders—came today in a startling proposal from one of the top policy makers.

Federal Reserve Board Governor Sherman Maisel today came out for selective tax mechanisms as a long-term replacement for tight money and high interest rates as a bulwark against capital outflows. In particular, he indicated his belief that something akin to the interest equalization tax ought to be applied to direct investment outflows (which are exempt from the I.E.T.).

HINTS OF CUT IN CREDIT

He did not say precisely what tax mechanism should be used against direct investment outflows. But he implied some reduction of the credit against U.S. tax presently allowed corporations on taxes they pay to developed country tax authorities might be involved, with the end result being "close to a flexible I.E.T." Any attempt to reduce the credit would arouse furious opposition from business.

The Maisel proposals came in a speech delivered in Oregon but released here. FRB spokesmen emphasized that he was expressing personal views, not those of the board.

Furthermore, Mr. Maisel was addressing himself to the need for a long-term solution of how to give the Fed monetary flexibility to serve the best interests of the domestic economy when these conflict with the need to compete with high foreign interest rates.

But the very radical nature of his implied suggestion that some tax credit might be taken away struck some observers as involuntary evidence that liberals on the Reserve Board, such as Mr. Maisel and Vice Chairman J. C. Robertson who has in the past made kindred though less sensational suggestions, are being pressed very hard. It appeared that more conservative policy makers were determined not to ease up on the monetary brakes as much as the liberals would like and that the latter are finding the balance of payments argument for going slow hard to counter.

HAYES SPEECH CITED

On Jan. 24, Alfred Hayes, president of the New York Federal Reserve Bank and as such ex-officio member of the Open Market Committee which operates monetary policy, expressed "deep concern" that the U.S. would fail this year to devote "urgent attention" to the elimination of its payments deficit.

In fact, there is strong reason to suppose that in 1967 the payments deficit will widen, though perhaps not by very much. If it does, the reason will be capital outflow.

Close textual analysis of FRB Chairman William McC. Martin's speech of two days ago seems to put him in the middle of this debate. He said the board chose to ease money while "not unmindful" of the effect this would have on capital flows.

The specific measure Mr. Maisel hinted at, scaling down tax credits in the case of direct investment in developed countries, has virtually no chance of being implemented. There are far too many telling objections to it, say payments analysts here.

First the tax credits are given in accord with double tax treaties with other countries, so they could not be denied unilaterally.

CUT FOREIGN EARNINGS

Second, since they are only claimed when income is repatriated from abroad, the effect of denial of credit might be to dam up the flow of repatriated earnings—which currently offsets most of the new direct investment outflow.

Third, say some, is the severe administrative difficulty that would be involved for tax agents in trying to police the big international corporations who could shuttle money expertly around their subsidiaries to avoid the tax curbs.

Finally, there is the great immediate obstacle of Congress. From the fact that the administration elected not to try to include direct investment under the I.E.T. in the I.E.T. extension bill presently before the legislators it is fair to assume the Treasury has found that Congress won't approve it.

The problem of direct investment outflow as distinguished from capital outflow generally, is not anticipated to be especially damaging this year.

NO BIG CHANGE IN 1967

Around $3 billion went abroad under this heading last year and, if the corporation voluntary program continues to work effectively in the absence of its creator, former Commerce Secretary John Connor, roughly the same magnitude will be shipped overseas in 1967.

But though Mr. Maisel's most specific thoughts were directed toward taxing direct investment his starting place was the view that all capital outflows ought to be managed through "fiscal methods."

"It seems likely to be both easier, cheaper and more efficient to adjust private (interest) yields of foreign versus domestic investment than it is to attempt to shift yields throughout the domestic economy," Mr. Maisel said.

The FRB governor presented at length the arguments for and against controlling capital flows by classical monetary tools. But he emphasized the primacy in his own think-

ing of ending the "distortions and dislocations" inside the U.S. economy resulting from "drastic" movements by interest rates.

EXHIBIT 4

[From the New York Times, Feb. 2, 1967]

MAISEL QUESTIONS HIGH LOAN RATES—RESERVE MEMBER OPPOSES VIEW LEVEL MUST PERSIST TO BUOY PAYMENTS—NEW TAXES SUGGESTED—FOREIGN INVESTMENT LEVY IS PROPOSED AS PENALTY IF OUTFLOW IS PROBLEM

(By Edwin L. Dale, Jr.)

WASHINGTON, Feb. 1.—A member of the Federal Reserve Board rejected today the widely held view that interest rates might have to be kept fairly high in the United States this year to hold money at home and thus protect the balance of international payments.

Sherman J. Maisel, the board member, said that if the outflow of capital to foreign countries became a problem, it ought to be checked by new forms of taxation of foreign investment rather than by keeping interest rates high in the United States.

Mr. Maisel spoke at the University of Oregon in Portland and the text was made available here.

In a challenge to a view that has prevailed both at home and abroad, Mr. Maisel said:

"Monetary policy decisions ought not to be made primarily on the basis of balance of payments considerations. Domestic credit and interest rate conditions ought not to differ markedly from what is desirable on domestic grounds alone, merely to attempt to attract or hold international capital."

PLAN NOT SPECIFIC

Mr. Maisel does not speak for the seven-man reserve board nor for the even more important Federal Open Market Committee, which groups the board and the 12 presidents of the regional does speak for one viewpoint in the policy-making body.

He made clear today that he supported the move to higher interest rates and tight money last year to check inflation, in the absence of a tax increase to do the same job of cutting total spending, but he added:

"Are lower incomes, unemployment and excess capacity justifiable in order to avoid direct fiscal methods of adjusting the balance of payments?"

Mr. Maisel was not specific about the new fiscal methods—meaning taxation—he had in mind to curb the outflow of capital. But he suggested the United States might directly penalize direct corporate investment abroad by ceasing to reduce taxes by the amount of tax paid the most foreign government. This would be a form of "double taxation" of foreign earnings.

SECURITIES TAX BACKED

Foreign investments are profitable for the individual company, he suggested, but not necessarily for the country. Pointing out that the United States collects "practically zero" in taxes on earnings of United States businesses in Europe that run "well over a billion dollars a year," he added:

"For every dollar of gross profit earned in the United States, the nation as a whole receives a dollar of earnings—part in taxes and part in net profits. If this same dollar of earnings is received on capital invested abroad, the nation would get only 50 cents. This net contribution to the national welfare of the dollar abroad is only half as great as it appears to be from the individual firm's point of view."

Mr. Maisel strongly supported the Administration's recent request to double the tax on purchases of foreign securities, another type of foreign investments.

"After considering carefully the various methods of influencing international capital flows," he said, "I conclude that varying relative yields at home and abroad by taxing them at different rates is more efficient and more feasible than is shifting them through domestic interest-rate changes."

At the same time, he added, "We ought to welcome and not oppose foreign countries adopting more flexible methods of controlling capital flows."

A policy of maintaining high interest rates at home to help the balance of payments could harm the nation's "growth of high and sustained growth," Mr. Maisel said.

He continued: "In the past the United States has tended to prefer a mix of relatively low interest rates and (except in wars) relatively minor budget deficits. If we were to shift in the direction of averaging higher interest rates and larger budget deficits, we would probably have a lower growth rate for capital."

"Many of our most urgent unmet needs for housing, education, rebirth of our cities, growth in technology and plant require large amounts of capital investment," he said. "Penalizing these known needs would be a high price to pay for achieving external balance via internationally determined monetary and fiscal policies."

In his wide-ranging attack on "conventional wisdom," Mr. Maisel made several other points.

He said that, in the light of different tax systems and capital markets in different countries, the view "that a better allocation of world resources results from the freedom of capital to move to where the private return is greatest may be completely wrong."

"International harmonization of monetary policies," which is a counterpart to the use of interest rates to influence the flow of capital, he said, "seems a long way off in the future."

"Without some agreement on the proper over-all level of world interest rates," he continued, "international rates would probably tend to be set by those countries desiring the highest level of interest rates."

WEST VIRGINIA PETROLEUM INDUSTRY

Mr. BYRD of West Virginia. Mr. President, the Roane County Reporter, Spencer, W. Va., on Thursday, January 26, published its 40th annual oil and gas edition. Under the headline, "Early History of the Development of Petroleum Industry in West Virginia," some of the interesting early chapters in West Virginia's efforts to develop a petroleum industry were recounted.

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

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

VITAL CHAPTERS OF PETROLEUM HISTORY BEGAN IN WIRT COUNTY, 1860

The oil and gas industry has played a most important part in the development of West Virginia. America's second petroleum enterprise got underway in Wirt County in 1860, just a few months after completion of the famous Drake oil well in Pennsylvania. The discovery of oil brought thousands of people to the areas being drilled, and large towns appeared almost overnight.

The history of the early petroleum industry is a fascinating and vital chapter in the story of our State and in the industrial history of the Nation. It is an important segment of our heritage that must be preserved, yet the few remnants of these pioneer developments are disappearing rapidly. For this reason, the State Antiquities Commission is placing primary emphasis on the early petroleum industry in this 1966 Annual Report.

In 1808, along the Kanawha River near Charleston, the Ruffner brothers completed what may have been the first well drilled in America. Their objective was salt brine and this was produced in quantity. Prior to this, salt brine had been obtained by digging holes deep enough to encounter brine-bearing strata. The Ruffner's well was drilled with a percussion bit driven by a manually operated spring pole, and this type of drilling, with techniques and tools developed by the Kanawha Valley saline industry, laid the foundation for the operations used 50 years later in the search for oil and gas.

The salt industry was flourishing in the Kanawha Valley in 1842, when 50 miles to the north in Wirt County, J. C. Rathbone decided to try to establish a salt manufacturing enterprise on his land at Burning Springs. From the Kanawha Valley he brought two experienced drillers, A. P. Gay and Silas Reynolds, to deepen an abandoned salt well that was on his property. Salt water was struck at 300 feet, but a small amount of petroleum mixed with it, destroyed its value as a saline product. The well was abandoned, and the Rathbones concentrated on their other business interests.

During the ensuing years, the market for illuminating and lubricating oils expanded rapidly. The major supply of these products was obtained by refining them from coal. In 1858, Samuel W. Kier, a Pittsburgh druggist, was successful in finding a method for refining petroleum. The Seneca Oil Company soon was formed, and Colonel Edwin L. Drake was hired to find oil. Under Drake's supervision the first successful well drilled for petroleum was completed in August, 1859, at Titusville, Pennsylvania.

The search for oil brought Samuel P. Karnes to Burning Springs, where he met the Rathbones and leased from them the abandoned salt brine well. Early in 1860 the well was cleaned out and, after pumping out the salt water, began to produce about seven barrels of petroleum a day. The success of this venture encouraged the Rathbones to drill on their land, and in May, 1860, they completed the first successful well drilled for oil in what is now West Virginia. Oil was struck at a depth of 303 feet, and the well produced 100 barrels a day.

A second Rathbone well drilled on the same tract in the summer of 1860 produced 1,100 barrels a day, and signalled the beginning of the oil rush.

Burning Springs then became the State's first boom town, and the birthplace of the West Virginia oil and gas industry. Within six months the population jumped from 20 to nearly 6,000 persons, and, before the boom ended, may have reached a peak of as many as 12,000. Several hotels were built, including the Chicago House, said to be the finest in western Virginia.

Oil activity was at its height when, on May 9, 1863, General William Jones led a Confederate force of several thousand men in a raid on the town and its oil installations. The raiders burned all tanks, derricks, equipment, and oil-filled barges. Over 150,000 barrels of oil were destroyed, as well as most of the town of Burning Springs. For all practical purposes, this was the end of the Burning Springs field and of the town itself.

Today, the original Rathbone oil well is owned by the Grow family. It is capped and is easily accessible along State Route 5 about a mile northwest of Burning Springs. The location of the second, and most productive, well has not been pinpointed, but is believed to be one of four abandoned holes located in 1961 by Harvey J. Simmons of Cabot Corporation.

Following the successes in the Burning Springs Field, pioneer oil drillers of the 1860's moved north along the Burning Springs Anticline. Discoveries in eastern Wood County and western Ritchie County led to the founding of the town of Volcano in Wood County and the concentration of drilling in the Volcano oil field.

By 1873 this became the center of oil production in West Virginia, and the community of Volcano now had a population of 3,500.

One of the most interesting features of the Volcano Field is the method used to pump the wells. In 1874, W. C. Stiles, Jr., devised a system by which as many as 40 wells were pumped from a central power plant through use of huge wooden wheels and endless cables. This system was in use until just a few years ago.

In 1879, the first pipeline in West Virginia was laid from this field to the Camden Consolidated Refinery in Parkersburg.

A destructive fire of unknown origin swept through Volcano on August 4, 1879, destroying all but one end of town, the Silcott Hotel, and some oil derricks on the hillside. This disaster, coupled with generally declining prices for oil and the depression of the Seventies, virtually ended the prominence of West Virginia as an oil-producing State.

The village of Petroleum, Ritchie County, reached by gravel road from Volcano, was laid out in 1854. It was an oil town and active loading station on the Baltimore and Ohio Railroad over which crude oil was transported to Parkersburg.

Elizabeth, the Wirt County seat, was settled in 1796 by William Beauchamp. It was once much larger than its present size and participated in the oil boom growth of nearby Burning Springs. The Beauchamp plantation house, now over 135 years old, serves as a museum and is operated by the Daughters of the American Pioneers. One room is devoted to the oil history of Wirt County.

The purpose of this brief outline of our early oil history is to highlight the importance of this pioneer industry and its influence on the development of West Virginia and the Nation. Merely to record the history is not enough—we must preserve some of the vanishing remnants of this era.

A start has been made in this direction. In 1963 the Centennial Commission's Oil and Gas Exhibits and Monument Committee erected a stone and metal monument at Malden to memorialize the "Burning Springs," the earliest known natural gas seep, a nearby salt brine seep, and some early wells drilled in the Kanawha Valley. Other groups now have taken an interest in our oil and gas industry, including the West Virginia Oil and Natural Gas Association, the Little Kanawha Regional Council, and the Little Kanawha Resource Conservation and Development Council. Wheeling College, under a grant from the Area Redevelopment Administration, conducted an extensive study of the Volcano-Burning Springs area and made suggestions for its development.

(Assembled and edited by I. S. Latimer, Jr., Geologist, Geological Survey.)

EXPANSION OF FOOD STAMP PROGRAM

Mr. BYRD of West Virginia. Mr. President, I am hopeful that the Federal food stamp program may be expanded into the remaining West Virginia counties early this year to serve deserving persons. At such time as funds are approved to permit such expansion, this would mean that all of the State of West Virginia has at last been included under the provisions of this very worthwhile program. I have requested approval by the Department of Agriculture.

As a sample of the effectiveness of the Federal food stamp program in one county of the State of West Virginia, a recent article in the Welch, W. Va., Daily News, pointed out that McDowell County had 8,445 people on the program in November. The amount paid for the stamps by the recipients is $88,950 with a bonus value of $58,868, bringing in to the participants food to a total value of $147,818.

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

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

[From the Welch Daily News, Jan. 28, 1967]

McDOWELL COUNTY HAS 8,445 ON FOOD STAMP PROGRAM

McDowell County had 8,445 people on the West Virginia Federal Food Stamp program in November, according to the U.S. Department of Agriculture's Consumer and Marketing Service. Nine hundred and twenty-five of these people do not receive public assistance.

The amount paid for the stamps by the recipients is $88,950 with a bonus value of $58,868, which brings the total value to $147,818.

Wyoming county has 3,142 participants in the program. The amount paid for the stamps is $55,600, including the bonus value.

Mercer county has 3,662 people on the program with $66,338 paid for the stamps, including the bonus value of $26,658.

In Mingo county a total of 7,307 participate in the program, $128,544 is paid for the stamps, also including the bonus value of $50,932.

Under the Food Stamp Program, which is administered jointly by the USDA's Consumer and Marketing Service and State Welfare agency, needy families spend the money they would normally use to buy food to purchase food stamps of additional monetary value. The coupons are then used to buy food products at local authorized markets. The food merchants redeem the coupons at local banks.

More than 72,000 persons in West Virginia participated in the Stamp Program in November. * * * Participants exchanged $757,396 for food stamp coupons worth $1,278,774. As a result, food merchants as well as the area's economy also benefited as the additional or bonus value of the coupons increased food purchasing power by $521,378. Among the participants, about 10,430 were not receiving public assistance.

COAL FACING BRIGHTEST FUTURE

Mr. BYRD of West Virginia. Mr. President, the January 28, 1967, edition of the Welch, W. Va., Daily News carried a special section, "Coal Facing Brightest Future." It was emphasized in this edition that coal has been and continues to be the economic backbone of West Virginia, and that the sustained development of the State's coalfields is helping the citizens of the State to face the future with confidence.

But on an even broader scope, today the story of coal in West Virginia and in the United States is one of progressive activity at all levels—individual, State, Federal, and industrial—both labor and management.

This newspaper, published in Welch, W. Va., is McDowell County's only daily newspaper, and the progressive journalism which is reflected throughout the special section on coal has provided a comprehensive report of coal's active present and dynamic future within our Nation's economy.

I have made a selection of a number of articles from this excellent issue, which I feel merits the attention of the American public.

I ask unanimous consent that these articles be printed in the RECORD.

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

[From the Welch (W. Va.) Daily News, Jan. 28, 1967]

SPECIAL SECTION: COAL FACING BRIGHTEST FUTURE

AUTOMATION KEEPS UNITED STATES COMPETITIVE IN MARKET

In terms of higher productivity with lower maintenance, the coal mining machinery on the market today far outstrips anything available a few short years ago.

There have been no dramatic breakthroughs such as the 1938 rubber-tired shuttle car and the 1948 continuous miner, but the machinery is far superior to that of a decade ago.

Much emphasis has been placed on continuous mining, but in many instances it is the conventional mining equipment that is called upon to produce the tonnage. In fact, under certain conditions, conventional equipment often out performs continuous equipment.

One of the newest bottom cutters brings high performance to even thin seam mines. Only 24 inches high, the unit boasts hydraulic floor and roof jacks which anchor it at the tail so that it can exert greater pressure on the cutter bar.

The machine can get into and out of a working face in minutes. When at the face, it cuts a six inch kerf the depth of a standard nine-foot bar at an average of four feet a minute.

Coupling speed with flexibility, the machine is capable of maintaining a production rate of 600 tons per shift.

Where higher seams permit its use, a universal cutter with a bar capable of 360 degrees rotation cuts roof or floor with equal ease. This unit has produced as high as 1,200 tons per shift.

But the best cutter going cannot of itself get the productions. Conventional mining is a team effort, and equipment manufactures have not ignored the other members of the team.

Today, rubber tired drills can sink deep holes and their lateral reach is a whopping 18 feet, six inches—more than enough for any entry.

And, for a real highball operation, a single-operator, twin boom machine is available that can reach an 11 foot roof and roll its booms over to cover an entry nearly 24 feet wide.

It was in the 20s that Joe Joy introduced his loader, making the first significant step toward mechanized mining. Since that time many improvements have been made but the basic design has changed little.

Transporting coal underground has developed into a fine art, and there is a machine or system for every mining condition.

The new models of cutters, drills, loaders and shuttle cars cannot only increase production per shift by as much as 100 percent, but, of even greater importance to the coal operator, machines can do so while reducing maintenance costs by as much as 40 percent, and cutting production costs by 30 percent.

Where seam conditions warrant, it is the continuous miner that comes to the forefront, and here, too, the trend is toward higher and higher production with lower maintenance cost. The continuous miner of today can out-perform, out-maneuver and out-produce anything built as recently as six years ago.

Of more than passing interest is the longwall mining technique—long practiced in Europe, but relatively new in this country. However, through the elimination of permanent roof supports and roadway maintenance, and other factors, the system has good

potential for both high and low seam applications.

Most longwall equipment is foreign made, since domestic demand has not been great enough to induce U.S. manufacturers to enter the field. However, several manufacturing companies have entered into license agreements with top European producers of shears, self-advancing roof supports and conveyors to make such equipment available in this country.

Belt conveyors systems have also undergone marked improvements, largely through a standardization and interchangeability program that not only lowers the initial cost of a system, but reduces the inventory of spare parts required for its continued operation.

Improved mounting and lubrication of idlers, and complete interchangeability of all load-bearing idlers, is another contribution to uninterrupted belt operation.

Since 1952, an extensible belt system has been available to travel behind an advancing continuous miner, and eliminate the need for shuttle cars. However, the initial extensible belt was limited in its application to the lower production miners.

Today, a heavy duty version of the system is available. Built on a shuttle car chassis, the drive unit stores 324 feet of belt, or enough for 162 feet of uninterrupted advance. It is capable of moving over 350 tph on a 2,000 foot belt reach—more than enough for most entries.

Indicative of the coal equipment manufacturer's determination to progress by evolution is the Joy pushbutton miner. Basically a boring continuous miner that carries behind it a string of powered and conveyor equipped cars, it "senses" its way through a coal seam.

Since it can operate by remote control, it eliminates the necessity of having men underground, and subsequently it also eliminates the need for expensive roof support and haul way maintenance.

In summary, it can be said that the coal producer of today has available to him the machinery he needs to meet virtually any situation. However, if he is to fully realize the potential of such machinery, he, as well as the manufacturers of such equipment, must now turn their attention to the problem of securing, training and placing qualified mechanics who can keep the machine operating at peak efficiency.

Automated coal mining, it is pointed out, is here. But the more sophisticated that equipment becomes, the more it requires men who appreciate and understand it.

Consolidation Joins Continental Oil Co.

Shareholders of Consolidation Coal Company and Continental Oil Company last August 30 approved a plan to join the coal and related properties of Consol with the properties of Continental.

The transaction was announced by L. F. McCollum, chairman of Continental and George H. Love, chairman of Consol.

Shareholders of Consolidation also approved the proposed plan of complete liquidation of that company.

As a result of the deal, Continental acquired Consol's coal reserves and related assets, including normal working capital requirements, in exchange for one million shares of Continental's common stock and the assumption of certain liabilities of Consol.

The coal properties were acquired subject to a reserved production payment in the primary amount of $460 million.

Commenting on this latest development, McCollum said that "we feel that Conoco has greatly strengthened its position in the energy field through this acquisition.

"Consol business activities, including the production of metallurgical coal through firms owned jointly with various steel companies will be continued through a wholly-owned subsidiary of Continental operating under the Consolidation Coal Company name and having its own board of directors." McCollum continued, "All Consols customers will continue to be served without interruption, Consol's general offices will remain in Pittsburgh and all its employees will retain their same positions with the new organization," the Continental chairman reported.

Continental Oil Company is a fully integrated petroleum company with operations in the United States and 28 countries.

It also has extensive operations in plant foods, petro-chemicals and plastics.

United States Leads in Coal Exports

The United States is the world's leading exporter of bituminous coal.

Consumers in more than 50 countries look to America for reliable supplies of economical steel-making, power generation, general manufacturing, production of gas and household and commercial space heating.

The United States also exports a substantial amount of anthracite to foreign markets.

Although about 60 per cent of U.S. bituminous coal exports are high-quality metallurgical grades, not all of this coal is converted to coke for steel-making. A sizeable share of this coal issued in steam-electric generating plants, for general steam raising and other purposes such as space heating.

For example, the U.S. Bureau of Mines says most of the U.S. Coal shipped to West Germany in recent years has been burned in electric generating plants and other non-metallurgical industries.

Bituminous coal accounts for the lion's share of coal exports. Canada has been one of our largest foreign customers with millions of tons also finding their way to Western Europe.

Italy, with little coal of its own, has been a leading foreign consumer. West Germany, the Netherlands, Belgium, Luxembourg and France have been other major consumers.

Since its inception in 1951, the European Coal and Steel Community (ECSC) has relied heavily on coal from outside its borders. The United States has supplied 71 per cent of the Community's coal imports in these 14 years.

Outside the Community, important customers for U.S. coal in Europe include Spain, Sweden, Ireland and Portugal. Sizeable amounts have also been shipped recently to Czechoslovakia, East Germany, Poland, Rumania and Yugoslavia.

Japan ranks third behind Italy U.S. coal. Most of the shipments to Japan was bituminous coal, principally for use by Japanese steel mills.

The U.S. coal industry is able to assure foreign consumers of reliable, economical supplies of quality coal for years ahead, particularly on long term contracts which enable producers to invest in new mines and equipment for an assured market.

Although the demand for coal within the United States has increased in recent years, two centuries of production has removed less than five percent of America's original coal reserves. The remaining reserves, the greatest storehouse of solid fuel in the world, are ample to supply domestic needs and foreign customers alike for centuries, even at an accelerated production rate.

Nearly 1,660,000 million net tons of coal and lignite remain in the U.S., of which half, or 830,000 million tons, is recoverable by present mining methods.

In addition to almost unlimited supply, several other factors give the United States leadership in world coal trade. Large supplies of high-quality coal are available a relatively short distance from Atlantic Coast ports.

Most U.S. coal production is from seams which are comparatively thick, generally horizontal and are buried much less deeply than most foreign coal. Mines may thus be developed with less time than in other countries, and the thick, level seams are amenable to intensive use of mining. This has enabled producers to hold down the cost of coal and generously increase the average daily output of the miner.

Thus, coal exporters in the U.S. are often able to deliver coal to foreign ports at considerably lower cost than the indigenous coal of those countries can be produced and sold at the mine.

Some U.S. coal exports to Canada go all the way by rail, but most coal bound for Canada moves across the Great Lakes by ship. Exports to other countries, of course, go by sea.

Coal Is Making Comeback in Big U.S. Energy Field

While utilities and steel rank high among coal consumers, other industries use millions of tons of coal for steam and process heat.

The cement industry burned 8.8 million tons of coal in its kilns in 1965; other industries used 85.6 million tons.

General industrial use of coal declined for several years under competitive pressure from other fuels, but the industrial market has turned upward and is expected to show modest increases in years ahead.

Coal also heats thousands of commercial establishments, homes, apartments and public buildings. Much of this market has been lost to oil and gas, but the decline is reported slowing. Meanwhile, millions of homeowners and building managers who get rid of coal in their basements are buying it again in the form of electric heating, which is mostly generated by coal.

The coal industry has bright prospects in the nations ravenous appetite for energy, but it also has problems. Cut-rate competition from natural gas and imported residual fuel oil have hurt coal in prime industrial markets.

Nuclear power presents a challenge that must be reckoned with in the years ahead. Operators of strip mines, who produce about one-third of the nation's coal, are under severe pressure to meet reclamation standards that are considered by many observers to be so strict as to be unrealistic.

Although coal is sometimes tagged as being a major contributor to air pollution, this generally is not the case. Highly efficient equipment is now available to capture nearly all the soot and ash from coal combustion in power plants. The coal and electric utility industries jointly are spending millions of dollars to find ways to eliminate any potential danger from sulfur oxides.

Meanwhile, the coal industry has new uses for its product. Prospects appear good that economically competitive gasoline and high-Btu gas can and will be processed from coal before many years have passed. The relatively limited supplies of petroleum and natural gas have spurred research efforts to find competitive replacements for them.

1967 Expected To Top Last Year's Mark

Another bright ray of hope for the bituminous coal industry was painted at the end of 1966 by the National Coal Association.

In a year-end summary, the Association announced that the year just ended marked the fifth consecutive year of rising demand in the industry. And 1967 is expected to make it six in a year.

According to Association President Stephen F. Dunn, consumption of U.S. bituminous coal in domestic and foreign markets reached an estimated 537 million tons in 1966, showing a 5.4 per cent increase over the 1965 level of 509.2 million tons.

Adding to production tonnage was a perennial leader in the West Virginia bituminous field . . . the coal mines of McDowell county. According to a West Virginia Department of Mines report for the first nine months of

1966. McDowell county mines led all in the area in coal production, edging out Logan county by a mere 84,343 tons.

"This (1966) has been coal's best year since 1948, when all its markets took nearly 566 million tons," Dunn said. "The coming year looks even better, with consumption forecast by the NCA Economics Committee at 548 million tons, 2 per cent above 1966."

According to the Association president, America's rapidly-growing demand for energy will require increasing amounts of coal, its most abundant fuel giving the industry a promising future in the years beyond 1967.

Cited as a case in point was the booming demand for electric power. Bituminous coal on the national average, it was pointed out, is the lowest-cost fuel for the electric utility industry. It generates more than half the nation's power. It is estimated that utilities will use about 281 million tons of coal in 1967, therefore burning more than half of all the U.S. bituminous coal consumed anywhere in the world.

In its annual year-end forecast, a majority of the NCA Economics committee estimated coking coal consumption will decline from 95 million tons in 1966 to 90 million in 1967 because of a slowdown in steel output and increasing production efficiency. Some knowledgeable experts, however, forecast an increase for the year.

The general industrial market for coal continued a slow but steady rise last year and is expected to ease slightly in 1967, the Economics committee forecast. Retail deliveries of bituminous coal, estimated at 19 million tons in 1966, will decline one million tons in the coming year, the committee predicted.

Shipments of U.S. coal to Canada are expected this year to hold at the '66 level while overseas shipments will rise.

Dunn said atomic power poses a new and serious challenge to coal as the dominant fuel in U.S. electric power generation. He said coal's share of total electric power output is forecast to decline from the present 54 per cent to about 42 per cent by 1980, but the total demand for electricity is increasing so rapidly that the utilities will be burning more coal than ever.

The bituminous coal industry is charting its future through research, seeking simultaneously to solve some of its problems and to create new markets for coal. The outlook for new markets is reported promising.

Consolidation Coal Co. has invested heavily in developing a process to produce competitively-priced gasoline from coal. Now the firm has a $10 million contract from the U.S. Office of Coal Research to see if the Consol process is economically feasible. Consol expects to start up a pilot plant in early 1967 at Cresap, W. Va., converting 20 to 25 tons of coal per day into 50 to 75 barrels of synthetic refinery feedstock.

OCR officials say they expect pretty smooth operation of the Cresap pilot plant. Those closest to Consol research effort feel it is realistic to assume gasoline production costs of 11 cents per gallon, although current efforts indicate a cost range of 10.5 to 13 cents.

Other methods of converting coal to liquid fuel are being investigated. But coal's future markets are not tied to gasoline alone. There is the strong possibility of producing high-quality pipeline gas from coal at competitive prices, and such research is now in progress.

But these research and development efforts may not bear fruit for some time yet. However, if they do, production of competitive gasoline and pipeline gas from coal will open big new markets at a time when U.S. reserves of petroleum and gas may be running low.

Coal research is also hard at work on some old problems, such as air pollution. The industry, it was pointed out, has a vital interest in the nation's "clean air" program, even coal is not the major contributor to air pollution in cities.

To meet the rising demand for coal, major producers have announced plans to open new mines, providing many new job opportunities in the coal-producing regions of the country. Eastern Associal Coal Corp., for example, says it will open four new mines in West Virginia. Consolidation Coal Co. plans to bring three new mines into production in 1967 and four in 1968. Island Creek Coal Co. is making plans for more mines in Kentucky and in western Virginia.

Interest in coal as an abundant source of energy is increasing not only among those who use it, but those who compete with it as well. In 1966, Continental Oil Co. acquired Consolidation Coal Co., long an experimenter in production of gasoline and pipeline gas from coal. And Kennecott Copper Corp. announced it is negotiating to buy Peabody Coal Co., the industry's largest producer.

"The trend seems to be toward development of a single energy resource industry," Dunn said. "In such a circumstance, coal can continue to play an important role in the further economic growth of the nation."

Soviets Second in World for Coal Output

Russia is the world's second largest producer of anthracite and bituminous coal.

Its 1964 output was 451.9 million net tons, an increase of more than 16 million tons from 1963. About 144 million net tons is reported to be coking coal, an increase of six million tons above the previous year's output.

Soviet sources said 33 new or reconstructed mines with an annual capacity of 21.3 million tons were brought into production in 1964, along with seven coal preparation plants with a total annual capacity of 15.9 million tons.

The yield of treated coal rose to 7.3 percent in 1964.

The U.S. Bureau of Mines says Russia's large coal reserves and capability of increasing production give the Soviet Union a potential of capturing a greater share of the world coal market.

The Russians shipped substantial tonnages to East Bloc nations in 1964, and are developing coal markets in Japan and many countries in Western Europe. Russia imports coal principally from Poland.

Daniels Co. Has Big Role in New Mine

The Daniels Company of Bluefield will play an important role in the opening of a new Omar Mining Company coal mine on Robinson Creek, Boone County. H. J. Daniels, company president, reported this week.

The new mine will open this spring. It will operate on a 20 year, 20-million-ton contract with Virginia Electric and Power Co. of Richmond, Va.

The operation will be named Chesterfield Station on the James River. Its coal is intended to fuel the growing electricity demands of the firm.

Daniels said his company will:

Install the car receiving and unloading unit.

Install a run-of-mine coal conveying system.

Build a primary rotary breaker and feeder unit.

Construct a raw broken coal transportation system and a raw coal stockpile.

Build a metering and conveying system from the raw coal stockpile to the preparation unit.

Build an ultra-modern coal preparation plant, containing a screening, grading and distributing system, a dense and medium precision coal washer, a crushing and sorting apparatus and a water clarification system for the reclamation of fine coal solids and the avoidance of stream pollution.

Build a processed coal stock pile metering and transportation system.

Build a unit train overtrack loading system.

Daniels said the company is scheduled to complete all surface facilities by late spring of this year. Amount of money involved in the contract has not been announced.

An official for Omar, headquartered in Logan county, said the Boone County property, a 13,000 acre tract, has 100 million tons of utility grade coal. Chesapeake and Ohio Railway is building a 3.5 mile branch road to the mine site to handle the coal.

Operation of the new mine is under the direction of C. R. Holbrook, president of Omar. Sale of coal will be handled by A T. Massey Coal Co.

U.S. Miner Still Is World Champ

Nobody in the world digs as much coal as the average American miner.

In 1964 he produced 16.84 tons every day he worked—more than three times the average daily output per man in 1939.

In no other nation can the average coal miner approach this impressive record; in fact, no European country has yet approached the U.S. 1939 average level of 5.25 tons per man-day; the nearest, West Germany, was 2.88 tons in 1964.

Caught between rising wage rates and low-priced competitive fuels, the U.S. coal industry after World War II had to mechanize in a hurry to survive. It has taken both courage and money—$250,000 for a modern continuous mining machine, $13 million or more for a gargantuan stripping shovel—but such investments have kept coal competitive with other fuels.

Fewer men are employed in the mines, but labor costs have remained high. American bituminous coal miners are among the world's highest paid industrial workers. Earnings in 1965 averaged $140.23 per week. A new wage contract in 1966 gave top-rated union miners a minimum of $30 a day.

And contributions keep flowing from coal operators to the miners' welfare and retirement fund in the form of 40 cents royalty per ton of coal mined. This fund, largest of its kind in any industry, has an unexpended balance in cash and other assets, after annual expenditures, exceeding $140 million. Fund expenditures in 1965 were more than $118 million for pensions, hospital and medical care and other benefits.

Better mining operations cost money and so do improvements in mine safety. The industry places great emphasis on safety, and underscores it by spending millions of dollars annually to make coal mines safer places in which to work.

Management and labor work closely together to develop and carry out education and training programs and safety campaigns. Their joint effort is paying off. In 1964, the industry recorded 0.44 fatality per million tons of coal mined, the lowest rate yet. The non-fatal injury rate also dropped in 1964.

Greater knowledge and understanding of hazardous conditions—developed through research—is the basis for new mining techniques and equipment designed to eliminate dangers. Accident prevention programs, stressed in the training of miners and supervisors, help the coal industry's improving safety record. When accidents do happen, prompt and effective aid is vital.

Many miners are trained and retrained in first aid techniques. When needed, expert and tested mine rescue teams are quickly available. These skills are sharpened in local, district and state contests which culminate in the biennial National First Aid and Mine Rescue Contest, the "World Series of Safety", last held in Louisville, Ky., in 1965.

Mechanization of the nation's coal mines has in itself eliminated many hazards. However, the drive for increased efficiency through modern mining procedures has produced new safety problems for the industry—and new

needs for technically trained men. The pick-and-shovel miner has about disappeared from the scene; skilled technicians and engineers who have replaced him are needed now in greater numbers to help coal meet the challenge of the future.

McDOWELL COUNTY TOPS STATE IN PRODUCTION

McDowell is still the top coal producing area in the state, according to records of the West Virginia Department of Mines.

This section, the Department reports, shades Logan county by just a few hundred tons. But the king-pin label still belongs to McDowell county once billed as the heart of the billion dollar coal fields.

In the late 1950s the Federal Bureau of Mines placed Logan as the top producer, but the State Department of Mines disputed this and continued to accord the honor to McDowell county as top producer in the nation.

More than a billion tons of coal have been mined in this area during the past 81 years and more than two-thirds of the original reserve still remains underground.

For the period of January, 1966 through September, 1966, McDowell county produced a total of 12,547,301 tons of coal the West Virginia Department of Mines reports. For a similar period, Logan county was credited with a total production of 12,462,959. This includes large, small, surface and auger mines for both sections.

The complete year's report will not be available until June, Harry Harman, local inspector at large for the Department, said last week.

Tonnage for McDowell county was listed as follows:

Large mines, 10,680,951; small mines, 1,106,610; surface mines, 590,704; auger mines, 169,936.

Logan's tonnage was as follows:

Large mines, 11,177,825; small mines, 648,917; surface mines, 101,668; auger mines, 534,548.

Total coal production for other counties in the state for the first nine months of 1966 were listed as follows:

Barbour, 2,368,659; Boone, 6,551,322; Braxton, 362; Brooke, 612,846; Clay, 42,504; Fayette, 45,125,263; Gilmer, 558,526; Grant, 1,551,772; Greenbrier, 644,384; Hancock, 2,764; Harrison, 4,932,311; Kanawha, 8,571,224.

Lewis, 406,267; Lincoln, 6,545; Marion, 10,032,754; Marshall, 2,085,439; Mason, 272,346; Mercer, 874,407; Mineral, 101,890; Mingo, 3,854,710; Monongalia, 5,879,791; Nicholas, 6,376,965.

Ohio, 1,185,476; Pocahontas, 33,959; Preston, 2,393,433; Putnam, 852; Raleigh, 6,600,028; Randolph, 666,233; Taylor, 92,690; Tucker, 455,254; Upshur, 530,579; Wayne, 21,420; Webster, 492,381; Wyoming, 10,928,646.

For the period, total production for the entire is listed at 108,231,261 tons. Tonnage from each type of mine was listed as follows:

Large mines, 90,277,453; small mines, 6,835,728; surface mines, 7,957,404; auger mines, 3,160,676.

COAL RESERVE BIGGER THAN GAS AND OIL

One of the two National Coal Association films now being shown around the United States is called "Energy Unlimited"—and for good reason.

So vast are the unmined reserves of coal in the United States that if all other energy sources disappeared, bituminous coal alone could provide the nation with economical and dependable fuel for generations.

Some of our other familiar sources of energy are not so well fixed. Reserves of petroleum and natural gas, for example, are more limited than once believed. Nearly all suitable sites for new hydroelectric power facilities in the United States have been developed.

Atomic power, too, may be inhibited in its growth by limitations on reserves.

Therefore, it falls to the coal industry to assure the nation and the world of a long-term supply of dependable and economical energy. The industry can provide such an assurance, because Nature endowed the United States with an enormous supply of coal. All conventional forms of energy that we know and use today—electricity, gas, oil, gasoline, residual oil and diesel fuel—can be produced from coal.

In more than two centuries, the vast storehouse of energy in U.S. coal deposits has barely been tapped. Over this span of time, production and consumption have taken about 32 billion tons—less than 4 per cent—of the nation's known recoverable reserves of coal.

Still underground in 34 of our 50 states, one authority reports, are estimated 1,666 billion tons, or about 30 per cent of the world's known reserves. At the current production rate, it is estimated that there is enough coal to last the nation well beyond the 40th Century.

Department of the Interior reports indicate that coal deposits lie beneath some 350,000 square miles of land, approximately one-ninth of the total area of the United States. Coal is mined today in 26 of the 34 states in which it is found.

It has been estimated that about one quarter of the 830 billion tons of recoverable coal can be mined with present methods at near present costs.

For centuries to come, therefore, abundant bituminous coal will be available to meet the country's needs for dependable, low cost energy.

As the supplies of petroleum and natural gas dwindle, coal can step into the breach as an economically attractive replacement.

It is that despite predicted increases in atomic power generating capacity, coal will be on hand to generate more and more electricity for light, power, heat and air conditioning and to supply the energy needed to turn the wheels of America's expanding industrial complex.

STEEL GETS SECOND BIGGEST SHARE OF COAL

The steel industry is the second-ranking consumer of coal, recent surveys reveal.

Most of the coal used by steel is premium-quality metallurgical coal which is baked in airtight ovens to make coke for use in the blast furnaces which reduce iron ore to pig iron.

Volatile materials given off by white-hot coal in the coking process are captured and used as chemical food stock for thousands of products. To the layman, coal chemicals are one of the most glamorous aspects of the industry, they are by-products.

Little or no coal is sold to make chemicals. It is sold to make coke—and in the process it yields the raw material for paint, aspirin, plastics and thousands of other consumer items.

More than 94.6 million tons of coal were converted to coke in 1965, mostly to make steel. The steel industry consumed another 7.6 million tons of coal for process heat and steam, although new methods and increasing efficiency have reduced the amount of coal required to make a ton of steel, the increasing output of the steel industry is expected to hold it in No. 2 place among coal users.

Many of the larger steel companies operate their own "captive" mines, but the industry buys large amounts of coal from commercial producers.

TREND TOWARD LONG-TERM COAL CONTRACTS ASSURES EMPLOYMENT

Along with a northern West Virginia mine under development, Eastern will need a total of 1,500 new employees.

Fifteen-year contracts have just been concluded between Eastern's export sales subsidiary, Castner, Curren & Bullitt, Inc., and six major steel companies and two gas utilities in Japan.

The Japanese purchasers are the Yawata, Fugi, Nippon Kokan Kabushiki Kaiska, Kawasaki, Kobe, and Sumitomo Steel Companies and the Osaka and the Toho Gas Companies.

The growing trend toward long-term contracts for southern West Virginia coal has a direct relation to long-term employment in the mines, it is pointed out by Eastern Associated Coal Corp., one of McDowell County's principal producers.

An Eastern spokesman noted it is no coincidence that his company has just negotiated long-term contracts for Keystone coal at the same time as it has announced need for more than 1,000 new employees at three southern West Virginia mines.

The new long-term contracts replace year-to-year or short-term agreements.

"Eastern takes pride in the fact that it is doing its part, through these long-term agreements, to assure stability of employment in the mines," said A. P. Boxley, Eastern president. "When a producer has a guarantee of purchases on a long-term basis, he is more willing to make the substantial investment necessary to develop a new mine.

"The benefits are passed along to the people of the locality in the form of stable employment for years to come."

All scheduled to be in full production between now and early 1969, the new West Virginia mines of Eastern, all previously announced, are:

1. Keystone mine at Bud, Wyoming County—Already in limited production. When full production is reached in the spring of 1967, the installation will employ approximately 350 men and turn out 5,000 tons of coal daily.

2. Keystone mine at Stotesbury, Raleigh County—When full output is reached early in 1968, 350 men will produce 5,000 tons daily.

3. Harris mine, Boone County—Carolina Power & Light Company will purchase the mine's entire output for a 20-year period after full production is attained in early 1969. The mine will employ 315 men.

4. Federal No. 2 mine in Monongalia County, Northern West Virginia—When full production is reached in latter 1968, the mine will employ approximately 480 men and will produce 12,500 tons per day.

To provide the reservoir for additional miners, Eastern is supporting Gov. Smith's program for training miners, Mr. Boxley said.

"The establishment of training schools in 1967 appears to be a must requirement to assure a continued supply of eligible men," the Eastern president concluded.

FIRST CARLOAD

The first car of coal was loaded on the Norfolk and Western Railway on March 12, 1883 and was taken for company fuel—sorely needed as engines were burning unsatisfactory wood at high prices and coal from Pennsylvania, at $3.60 per ton, a prohibitive price in those days.

On March 13, 1883, the second gaily-decorated car was dispatched to the mayor of Norfolk, Va. A new era had begun.

PRODUCTION FIGURES

The National Coal Association places estimated production of bituminous coal for 1966 at 518,504,000 tons, an increase over 1965.

The figure covers a period extending from January 1 through December 24, 1966.

Production for a similiar period in 1965 was placed at 503,227,000 tons.

The Association's estimation are based from incomplete car loading reports from the railroads.

MORGANTOWN PILOT PROJECT WILL STUDY COMMERCIAL BRICKMAKING

Announcement was made during the summer of 1966 that the Morgantown Ordnance Works has been selected for the pilot plant of the $466,500 research project by West Vir-

ginia University to produce commercial building bricks from coal fly ash.

Once the plant is in operation, it is expected to produce 8,000 unbaked bricks per eight hour day. Of this amount, 1,000 can be sent into the kilns each day.

The pilot plant is expected to demonstrate the usefulness of coal fly ash which is a simple waste product and has long represented a costly disposal problem to coal users.

Early experiments at WVU proved that fly-ash can be transformed into a valuable material for building bricks. Early bench scale work has demonstrated that the bricks compare well with clay bricks in both appearance and quality.

It has been reported that the pilot plant will determine the commercial feasibility of the process which, it is believed, will conclude that the bricks can be manufactured for considerably less than the current market price for clay bricks.

The plant will include two 40-foot by 60-foot brick buildings with an acre of ground adjoining them for storage.

Due for installation for the process will be feeders, a blender-mixer, a brick press, kilns, storage bins and other related equipment.

COMES A LONG WAY

Coal production in McDowell county has come a long way since 1886, the year in which the first coal mine in the area was opened. Production hit its peak, according to records, in 1942 when total tonnage for the year jumped to 29,104,818 tons.

FOUR NEW EASTERN ASSOCIATED MINES TO INCREASE COMPANY'S PRODUCTION

Eastern Associated Coal Corp. announced recently that it will increase its production 60 percent as the result of four new mines to be opened in West Virginia between now and 1969.

According to the announcement, production increase is being made possible, largely, by long-term contracts with utility and metallurgical users of coal. The new Eastern mines, all previously announced are:

1. Keystone mine at Bud, Wyoming county—already in limited production. When full production is reached early this year, the installation will turn out some 5,000 tons of coal daily and will employ 350 men.

2. Federal No. 2 mine in Monongalia county. When full production is reached in latter 1968, the mine will produce 12,500 tons per day and employ 480 men.

3. Mine in Boone county—Carolina Power and Light Company will purchase the mine's entire output of 7,000 tons daily when full production is reached in early 1969. The mine will employ 315 men.

4. Keystone mine at Stotesbury, Raleigh county—when full production is attained early this year, 5,000 tons daily will be turned out by 350 men.

The four mines will produce a total of 29,500 tons per day. Eastern's present production is 49,600 tons per day at 11 mines operated in West Virginia and Pennsylvania.

At the same time, the company will be adding nearly 1,500 new employees, earning some 14½ million dollars annually in wages and fringe benefits.

Noting that the trend is increasing toward long-term contracts, A. P. Boxley, Eastern president, said recently: "Coal producers like Eastern are encouraged to open new mines when there is a continuous market for coal through long-term agreements. Long-term contracts also enable the utility to establish a consistent source for coal through long term agreements. Long-term contracts also enable the utility and metallurgical users to establish a consistent source for coal and to secure purchase and transportation economies through quantity acquisitions."

The company president also reported that part of the output of the new mines is destined for the export market.

"Eastern has set as one of the goals of its operations the sale of coal outside the country," Boxley asserted. "In this way we are lending our full support to the Nathan Report to the Office of Coal Research of the U.S. Interior Department, urging coal companies to offer long-term contracts to foreign buyers as a way of boosting export of U.S. coal".

Eastern has been a pioneer in the development's of coal sales outside the United States to augment its domestic selling. In 1954, the company became the first bituminous coal producer to be awarded the Presidential "E" pennant, signifying excellence in its foreign sales program. Eastern has consistently been one of the largest exporters of coal to Japan and also sells to Canada, Italy, Yugoslavia, Spain, South America, and other lands.

NATIONAL COAL ASSOCIATION IN BUSINESS FOR PAST 50 YEARS

The National Coal Association has been doing business for 49 years, though not at the same old stand and certainly not in the same old way.

In 1917 the guns were blazing in Europe and the United States entered World War I. When fuel demands suddenly shot up, President Woodrow Wilson called on the coal industry to meet the emergency.

The industry responded. Critical fuel shortages were averted. And the National Coal Association was born.

Since then—through good times and bad, through World War II, Korea and Viet Nam—the NCA has continued to serve the nation and the coal industry. Times have changed, new problems have arisen, new technologies have been developed, and all have affected the scope and character of NCA's work.

NCA has been in the forefront of the fight to help coal retain as much of its traditional markets as possible, while supporting expansion of the utility market. Association efforts have been directed toward restraining use of the limited supplies of natural gas under industrial and utility boilers, and combatting the flood of imported residual fuel oil which threatened to engulf the coal market in the heavily industrialized areas of the East.

The specific functions NCA performs for the coal industry are many and varied, and undergo almost constant changes. Basically, these functions fall into four categories: government relations, public relations, research and engineering, and administration and finance.

ATOMIC ENERGY PLANS SET BACK

The nation's atomic energy supporters received a significant setback recently as a result of the Second Progress Report issued by the Subcommittee on Science and Astronautics, the Black Diamond magazine reports in its November issue.

According to the article, the report decidedly tones down nuclear power as the answer to the nation's energy needs.

The report also warns that the unsolved problem of disposing of atomic waste may mean that the powers that be in Washington and elsewhere have wasted precious time, money and effort in depending on a source of energy that cannot be made practical for widespread use.

In no uncertain language it (the report) points out the facts of energy life, Black Diamond continues, and adds:

"That power and energy consumption in the United States has been rising in nearly a geometric ratio and is there any indication of a slackening in the rate of the increase. Also that the nation must have relatively soon, sources of energy more plentiful and efficient the traditional fossil fuel and that at present, no feasible alternative appears in sight.

"On this latter point, the coal industry . . . has assured . . . the Subcommittee of the plentiful availability of fossil fuel in the form of coal. . . .

"The Subcommittee Report goes on to point up the dangers of the atom as an energy source. It states that the nation has taken it for granted that atomic energy will be available as an endless source of efficient power when its fossil fuels have been used up. However, the Report states, there has been little progress made in devising a way to rid the country of the atom's toxic by products. All that is being done today is to bury them and there is a definite limit to this procedure.

"The Report suggests that the nation should be working much harder on this problem as well as on alternatives such as the fuel cell or magnethydrodynamics."

ISLAND CREEK ANNOUNCES THIRD MINE IN BUCHANAN

Island Creek Coal Company announced in December that it has begun the development work necessary for the construction of a third mine in its vast reserves of excellent quality Pocahantas coal located in Buchanan County, Va.

Company Chairman James L. Hamilton reported that work is in progress clearing the plant site for the sinking of three shafts which will be the deepest of any coal mine on the North American continent.

The mine is designed to produce 2 million tons of coal annually of what is considered to be the best low volatile coal in the world. Actual sinking of shafts are now underway.

According to Hamilton, "plans for the construction of the new mine have been advanced considerably due to the fact that the entire output of the second mine presently being developed in the area has already been committed on long-term contracts, several months before that mine will be completed and come on stream about February of this year." "This," Hamilton continued, "has dictated the immediate start of the third mine to satisfy demand for the high quality metallurgical grade product which has gained acceptance by steel plants all over the world."

Island Creek has more than a half billion tons of this excellent quality coal in its Virginia holdings, which is sufficient to support at least six 2 million ton annual capacity mines.

The new mine is the third to be developed in those coal reserves. The first mine to tap these reserves is a joint venture with Republic Steel Corporation and is known as the Beatrice Mine which began production three years ago.

The coal found ready acceptance by steel companies here and abroad and the second mine was started in mid-1965 with initial production schedule for February of 1967. The newest operations will begin producing late next year, achieving its full capacity of 2 million tons annually in 1971.

Coal from the three mines will be identical in mineral and carbonizing characteristics and is marketed under the trade name, "Virginia Pocahontas."

It is extremely low in ash and sulphur, which makes it valuable for use in by-product coke ovens of steel producing plants. The Island Creek holdings in Virginia constitute the largest remaining reserves of Pocahontas coal in the United States and perhaps the world.

The new Virginia Pocahontas mine is the second high-capacity mine started in 1966 by Island Creek. A steam coal mine, equal in size to the metallurgical mines already mentioned, was begun in November in eastern Kentucky to serve the Toledo Edison Co. and other electric utilities.

Several other such mines are included in the expanding development program which will continue at least through next year.

Island Creek is the third largest coal company in the United States and marketed 25 million tons in 1966, an increase of nearly 20

percent over 1955. The company operates 26 mines in West Virginia, Virginia and Kentucky and has extensive reserves in each of these states, as well as in Ohio and Utah.

MECHANIZATION EXPENSIVE BUT IT PAYS

Mechanization of coal mining has been carried out at an enormous cost to the industry.

But the substantial investment is reported returning dividends to coal producers, miners and consumers.

Mining efficiency has increased and coal prices have been stabilized and even cut while costs of other goods and services were rising. Hazards have been reduced or eliminated; the mines are safer than ever. Mine operators are paying higher wages than ever too.

Coal, it is said, is a cornerstone of the American economy in time of peace. In war, the industry has demonstrated its ability to meet added demands for fuel without disrupting service to its normal markets.

Factories can be placed on standby in peacetime, ready to be reopened to meet the needs of expanded defense production. Not so with coal mines. For shut-down mines fill with water, machines rust, roofs collapse. Skilled workers move on to other jobs. It is prohibitively costly to maintain mines in standby condition.

Coal production can be stepped up substantially in time of national emergency. The increased production, however, can come only from mines that are open, equipped, manned and operating. It is vital to the nation's defense and its economic health that the cost industry maintain a broad production base which can be expanded when needed.

COAL MAKING STRONG COMEBACK

Most of the energy we consume comes from mineral fuels, and for decades coal was king.

As late as 1943, coal produced more than half the energy in the United States. But then changes came—steam locomotives gave way to diesels, and with them vanished one of coal's principal markets.

New techniques of laying welded pipeline brought natural gas to nearly every state, and gas took over much of the home heating market and displaced coal in many industrial plants.

Imported residential fuel oil sliced into coal's traditional industrial markets on the Atlantic Coast.

By 1961, coal's share of the total energy market had been cut in half. But then coal apparently hit bottom. It has rebounded strongly. In 1965, bituminous coal production climbed to 510 million tons, the highest total since 1951, and accounted for 26.6 per cent of U.S. energy output.

Natural gas contributed 35.4 per cent, petroleum 33 per cent, anthracite, 8 per cent electricity from waterpower 4.1 per cent, and atomic power only .1 per cent.

These percentages are deceptive, however, for coal does not compete with oil and gas in all energy markets—yet. Vast quantities of oil are converted to gasoline and lubricants, where coal is not presently competitive. However, there is a $10 million research project underway to make gasoline from coal at competitive prices, and the process looks promising.

Similarly, considerable amounts of natural gas are consumed in making carbon black, which is used in many items from auto tires to floortile; a comparable product has been made only experimentally from coal.

In markets where coal now competes with other forms of energy, bituminous coal produced 32.1 per cent of the nation's energy in 1965, compared with 38.5 per cent for natural gas, 21.1 per cent for petroleum, .7 per cent for natural gas liquid, 1 per cent for anthracite, 5.5 per cent for water power and again .1 per cent for atomic power.

By either standard—its share of the total energy market or its share of competitive uses—coal is coming back strongly from its 1961 low, and experts believe it will win a greater share of the market in years ahead.

ATOMIC POWER NO THREAT TO COAL, SCIENTIST SAYS

More good news for the coal industry was contained in a recent statement by a leading atomic scientist who states that coal is in no immediate danger from atomic power.

In speaking to a group of coal representatives, Dr. Alvin M. Weinberg, director of the Atomic Energy Commission's Oak Ridge National Laboratory, stated further that there is no sign of diminishing coal markets for years to come.

At a two-day briefing in Oak Ridge, Tenn., for the coal industry, the director pointed out that development of a cheap, safe, breeder-type atomic power plant is now an important technical goal. He said coal will lose out to the most advanced breeder plant, development of which is still 15 to 20 years off.

Dr. Weinberg was of the opinion that the federal government should be heavily involved in coal research, with the aim of obtaining liquid fuels from coal by the time atomic breeder power plants become competitive.

The briefing, sponsored by the National Coal Association in cooperation with AEC and the Southern Interstate Nuclear Board, was attended by 150 representatives of the coal, railroad and allied industries.

The nation's massive scientific resources should be directed toward coal liquefaction research, Dr. Weinberg said. One of the coal industry's problems is that it is less scientifically oriented than the nuclear industry, he said.

John B. Breckinridge, chairman of the Southern Interstate Nuclear Board, said in a statement issued at the briefing that a "greatly expanded national investment" in a broadly conceived coal research program is needed. He said demand for coal will increase significantly in the years ahead, but a joint coal research effort should begin immediately. Breckenridge said the research effort should involve the coal industry through NCA, plus the Southern Interstate Nuclear Board, the AEC and other federal agencies.

Rafford L. Faulkner, director of AEC's Raw Material Division, said 1980 coal consumption by utilities is expected to be about 450 million tons. Increasing world energy needs suggest other sources of energy such as nuclear power must supplement fossil fuels, he said.

NCA President Stephen F. Dunn said during the briefing that the coal industry believes circumstances do not justify "the huge disparity between the amount of federal research on atomic power and the amount of federal research on coal. There is no need to waste taxpayer's dollars and the limited known reserves of uranium on proven reactors, which in turn can cause unemployment and hardship in a basing industry—the coal industry, which can produce low-cost energy indefinitely, at the same time providing about $500 million in coal export to help meet our serious balance of payments problem."

Dunn said everyone agrees that known reserves of low-cost uranium are extremely limited; for this reason the coal industry contends that further non-breeder reactors should be discouraged rather than promoted.

MCDOWELL HAS 21 COMPANIES WITH BIG MINES

The West Virginia Department of Mines lists 21 companies with large mines currently operating in McDowell county.

They are identified as:

Ashland Mining Corp. at Monitor; Bishop Coal Co., Bishop, Va.; C and W Mining Co., Cotton Creek; Cannelton Coal Co., Superior; D and O Coal Co., Premier; Eastern Associated Coal Co., Keystone.

Howard Coal Co., Keystone; Island Creek Coal Co., Algoma and Bartley; Jacobs Fork Coal Mining Co., Squire; Luzan Coal Co., Jenkinjones; Mays Coal Co., Premier; Miller and Lovell Coal Co., Keystone.

Olga Coal Co., Coalwood; Poca Empire Coal Corp., Keystone Mt.; Pocahontas Fuel Co., Berwind; Jenkinjones, Black Wolfe and Newhall; Red Bird Mining Co., Sandy Huff.

Soto Coal Co., Premier, Havaco and Bottom Creek Mt., Sparks Coal Co., Canebrake; Turner Coal Co., Keystone Mt.; United Pocahontas Coal Co., Algoma, Indian Ridge; and U.S. Steel Corp., Gary and vicinity.

COAL ABUNDANT

The U.S. Geological Survey estimates that proven, recoverable reserves total 830 billion tons—sufficient to last for more than 1,000 years at today's consumption level.

ISLAND CREEK NAMES PACK TO NEW POST

Alvin S. Pack, husband of a former Welch woman, is the present manager of industrial relations for Island Creek Coal Company. Pack's appointment became effective during the summer of 1966.

In his new position, Pack works out of the company's corporate headquarters in Cleveland, O.

He joined Island Creek in 1958 as administrator of labor relations at Holden. He was advanced to manager of industrial relations and safety for the company's West Kentucky division in Madisonville, Ky., in 1965

Before joining Island Creek, Pack had been superintendent of Buckeye and Page Coal and Coke Companies, located at Stephenson. He is a graduate of West Virginia University and served as a captain in the Marine Corps.

He is married to the former Miss Glenna Rae Christian, daughter of Mrs. V. L. Christian and the late Mr. Christian of Welch. They have four children.

NEW STORAGE HELPS KEEP WORK UNIFORM

Ten thousand tons of coal, mined by the Olga Coal Co. of Coalwood were dumped recently at Norfolk and Western Railway's new $5¾ million storage and transfer terminal in Sandusky, Ohio.

All year mining of coal for Great Lakes shipment from Sandusky became a reality when the coal was dumped at the terminal.

N&W President Herman H. Pevler observed that the new facility helps solve long-standing problems for both coal producers and consumers. It enables supplying mines to keep their men at work on a twelve month basis; and it assures a constant, close-at-hand supply for purchasers.

Started about five months ago, the terminal will include equipment for both the unloading of coal cars and the loading of boats and has the most modern thawing facilities in the country for the emptying of cars in winter.

Initial capacity of the terminal will be 1.2 million tons, but there is space to enlarge it to hold as much as 4.5 million tons.

The coal and that which follows will remain in Sandusky during the winter, and then when the lake season opens next spring, will move by boat to plants in the United States and Canada.

During the 1966 lake season which closed December 12, N&W dumped 3.7 million tons of coal at its Sandusky docks, 80 per cent more than in 1965.

FOREIGN DELEGATION TOURS COAL AREA

One of the largest foreign delegations ever to visit the West Virginia coalfields toured the Kopperston Mines Nos. 1 and 2 of Eastern Associated Coal Corp. at Kopperston during the summer of 1966.

Purpose of the delegations visit was to see first hand U.S. mining conditions and equipment.

The group was made up of 40 European coal producing, purchasing and government officials from 15 nations. They were on a 12-day inspection tour of the U.S. bituminous coal industry sponsored by the National Coal Association and the Coal Exporters Association of the U.S., on behalf of the Department of the State and the Interior.

Coal Will Play Most Important Part in Energy

The Nation's burgeoning energy needs will have to be met by a unified energy industry, rather than by individual fuel industries.

That was the opinion of Joseph E. Moody, president of the National Coal Policy Conference, Ind., who addressed the Kentucky Coal Association at a meeting in November.

Moody said the emerging energy industry will "take care of the energy demands of the Nation" whether it be for oil, natural gas, uranium or the basic fuel of them all . . . coal.

According to Moody, "coal will play the most important role in this new and emerging energy era."

Moody declared that "no one questions but that the coal reserves of this Nation represent the Nation's largest source of untapped energy. This gives coal an inherent advantage. It has not only the advantage of tremendous reserves but it also has the characteristics of lending itself very well to conversion to other forms of fuel, whether it be solid, liquid or gaseous. This would seem to indicate that, regardless of the energy mix which the Nation might demand in the years ahead coal will always be in a dominant position."

Moody pointed out that developing technology for converting coal into gasoline and pipeline gas at competitive prices "adds impetus to the trend toward the single energy concept."

He predicted that "in the future we will tend more and more to think in terms of reserves of fossil fuels and uranium as an entity."

The Policy Conference president stated that this developing trend has been marked by the entry of petroleum companies into the coal industry in a major way. He cited the recent acquisition of the Consolidation Coal Company by the Continental Oil Company and the announcement of Humble Oil Company that it is creating a Department of Coal and Oil Shale as further evidence that major oil companies "have decided that the vast coal reserves of this Nation are a vast reserve of energy that have to be tapped in order to meet the energy demands of the Nation and the world!

Moody added that if coal is used to supply only 10 per cent of the market for gasoline and natural gas, a new market in excess of 280 million tons of coal annually will have to be created.

The Association speaker said the Nation is facing an unprecedented demand for energy in the years ahead. By the year 2000 the total fuel requirement of electric utilities alone, based on present efficiency and known methods of producing power, will increase to about two and a half billion tons of coal equivalent.

On the outlook for coal in the future in supplying fuel for power production and in providing a raw material for gasoline and pipeline gas, Moody said:

"Sometimes I am aghast at the problem the coal industry will have in producing the maximum amount of coal it must supply in the next decade or two, and at competitive prices that will give this Nation tremendous amounts of power at low cost."

He cautioned, however, that a number of serious problems confront the industry, particularly in combatting unrealistic air pollution control standards which could unnecessarily bar coal from many markets and in righting the current imbalance between Federal research for nuclear power and coal.

He added that for coal to achieve the "vital and important role" which appears to be awaiting it in the new and emerging energy area "we are going to have to evolve, maintain and execute a positive program for doing a far better job of producing, delivering and utilizing coal."

Bituminous Coal Production

The National Coal Association from incomplete car-loading reports from the railroads estimated in December that bituminous coal production in the United States for the week ended Nov. 26, 1966 was approximately 9,815,000 tons.

Production for a corresponding period of the previous year was 9,769,000 tons.

Production January 1 through Nov. 26, 1966 was estimated at 474,263,000 tons; while production for a similar period in 1965 stood at 461,251,000 tons.

Two Problems—Pollution and the Atom

The coal industry begins a new year confronted by the twin problems of the growing competition from atomic energy and air pollution, according to the magazine "Black Diamond."

The periodical in an article appearing in this month's issue states:

"Despite the coal industry's efforts to get the Atomic Energy Commission to issue a ruling that nuclear power has achieved a state of practical value, recognizing, as provided by law, that it has become economically and technically feasible, the Commission remains adamant in retaining its old stand on the subject.

"The Commission on Dec. 23 denied a petition for a statutory finding of practical value for light water reactors which had been jointly filed by the National Coal Association, the National Coal Policy Conference and the United Mine Workers of America. The Commission a year earlier had denied a previous request for such a ruling by these same three groups.

"Joseph E. Moody, president of the National Coal Policy Conference, Ind., recently pointed out the inconsistency of the Atomic Energy Commission's latest adverse ruling, noting that in statements prior to the ruling that Dr. Glenn T. Seaborg, AEC chairman, had pointed with pride to the fact that current reactor types have achieved economical competitiveness, particularly in countries such as the United States.

"The AEC chairman was also quoted as saying that nuclear power has come of age and that he was looking forward to its playing a major role in supplying electricity to this country and the world.

"On the other hand, in its ruling on Dec. 23," the Commission declared:

" 'The Commission continued to believe, however, that it should await a reliable estimate of the economics based upon a demonstration of the technology and plant performance. Pending the completion of scaled-up plants, and the information to be obtained from their operation, the Commission remains of the view that there has not yet been sufficient demonstration of the cost of construction and operation of light water, nuclear electric plants to warrant making a statutory finding that any types of such facilities have been sufficiently developed to be of practical value within the meaning of section 102 of the Act.' "

According to Black Diamond, coal industry leaders are generally of the opinion that AEC does not want to release any part of its hold on the taxpayers money in furthering the cause of atomic energy as a power generation source regardless of what effect this inconsistent stand might have on competing sources of energy.

In regard to air pollution, hearings have been conducted this month by various groups regarding the sulfur content of coal.

While the coal industry ponders these twin problems, the magazine stated, William Bellano, president of Island Creek Coal Co., has been pointing up the urgent need for a national energy policy as a guide to an equitable and intelligent utilization of energy resources and technical and scientific manpower.

Bellano recently told the Coal Mining Institute of America in Pittsburgh that while the U.S. seems to have ample energy resources, future requirements tend to exceed present known growth rates for gas and oil discoveries.

The coal company executive also called attention to the serious questions concerning the unlimited availability of low cost uranium fuel for atomic power plants. Only coal, he said, is now known to be available in large enough quantities and distributed over a wide enough geographic area to meet the requirements for a base upon which to build for the future.

Bellano forecasts 1980 coal consumption at some 807 million tons, an increase of 57 percent over 1965. He projected coal exports to about 70 million tons in 1980, including more than 26 million tons to Canada. Black Diamond quotes him as estimating that the coal industry will require up to $250 million a year in capital improvements and replacements through 1980 to meet increasing demands, plus $100 million annually for new plant expansion.

Investments in Efficiency Are Paying

Coal bucks strong competition in the energy market, but enormous investments to improve mining efficiency are paying off.

Mine productivity is now at a record high.

The average American bituminous coal miner turned out 16.84 tons per work day in 1964, over a ton more per day than in 1963. This about three times the miner's 1944 daily output, and about twice that of 1953.

Costs of coal at the mines are down, despite increases in costs of materials and wages, and the heavy investments required to maintain the industry's competitive position.

In 1964, the average value per ton of coal at the mine was $4.45, a drop of 12.4 per cent since 1957.

More than two-thirds of America's coal is mined underground, where once the pick and shovel worker tunneled his way. These tools have been replaced by complex and costly machine.

About 60 per cent of coal mined underground is produced by what miners call the conventional method—a smooth working five step procedure.

In other mines, huge continuous mining machines controlled by one man tear the coal from the seam with spinning steel teeth. At rates as high as 12 tons per minute, these machines rip out the coal, scoop it onto their own conveyors and drop it into shuttle cars, mobile conveyors, or on the floor for subsequent handling.

Coal Lowest Cost of All Fossil Fuels

For the fourth straight year, bituminous coal in 1965 ranked as the nation's lowest priced fossil fuel for power generation, according to the National Coal Association's annual "Steam-Electric Plant Factors" study.

And in the bargain, the study shows, bituminous coal increased its share of total steam-electric plant output.

Coal's share of 1965 steam-electric output was 66 percent as compared with the 1964 share of 65 percent.

The national average "as burned" cost of coal was 24.4 cents per million Btu in 1965, down 0.2 cents from 1964. Natural gas, which had a 26 percent share of the 1965 steam power production, declined in cost

from 25.3 to 25.0 cents per million Btu. Oil's share was eight per cent up from seven per cent in 1964 with its as-burned cost up 0.5 cents to 33.1 cents per million Btu.

State Department of Mines Important to Coal Industry

An integral and important part of the coal mining industry is the West Virginia Department of Mines and its hard-working, conscientious mine inspectors.

The McDowell county unit of the Department is composed of a mine-inspector-at-large, an assistant and seven inspectors.

While the staff is small, the men get around to inspecting more than 200 mines in this area at least three times each year.

The McDowell county offices are located on the second floor of the Masonic Building, Wyoming Street, in Welch. Supervising the complex is Harry Harman, inspector-at-large. Ed Jervis of Welch is the assistant and the district inspectors include Kermit Dillard, Iaeger; Andrew Wiley, Cucumber; Albert Overbey, Iaeger; Tommy Pettrey, Kimball; Lewis Cope, Northfork and Everett Evans, Skygusty. Also working out of the Welch office is Bud Gunter of Princeton whose work is confined most to Mercer and Wyoming counties.

According to Harman, 12 coal seams are presently being worked in the county, producing 17 million tons of coal annually. Tonnage production does not include stripping and augering.

The Department of Mines, Harman pointed out, also operates three mine rescue stations in the county. They are located at Keystone, Caretta and Superior. A fully-equipped mine rescue truck is kept at the Superior station and is kept in readiness to answer any call.

Roscoe Mayberry, of Kimball, was recently appointed safety instructor for the Department in McDowell county.

Aside for making periodic mine inspections, the inspectors teach mining classes for preshift examinations; supervise examinations for miner's certificates; investigate serious and fatal mine mishaps and assist throughout the state in mine disasters.

According to Harman, the men are on call 24 hours per day for anywhere in the state. All are under civil service.

The department, Harman reports, is also trained in Civil Defense and is ready to take part in emergencies.

McDowell county's famous coal, according to the local inspector-at-large, is taken from heights ranging from 26 inches to about eight feet. He said the Department expects to place at least three new mines in McDowell county under its inspection supervision within the next six months.

Harman identified the new operations as U.S. Steel's No. 6 mine at Gary; Maitland mine of Pocahontas Fuel Company and the Shannon Branch mine of Semet-Solvay.

New Giants Give Coal Competitive Edge

The coal industry's newest tools have become truly gigantic at the surface mines.

Where coal lies close to the surface, it is more economical to remove the dirt and rock, take out the coal, and then reclaim the land.

For this job a whole family of mammoth power shovels, draglines and wheel excavators have been developed.

Surface—or strip-mining shovels are the largest mobile land machines. Each new generation dwarfs its forerunners—it is able to dig deeper and move more earth at lower cost. The biggest machines today are unbelievably huge—18.5 million pounds, towering 220 feet from the coal seams where they work, gobbling 180 cubic yards of earth every 50 seconds and depositing it a city block away.

They use enough electricity to power a city of 15,000. Even though such a machine is operated by one man, it costs $10 million or more.

The operator rides five stories up to his control room in an elevator that runs through the center pivot. The shovel draws its electric power from an extension cord five inches in diameter.

Shovels work on the floor of the pit; giant draglines sit on the bank above it and remove the overburden from above lowlying coal seams, taking as much as 120 cubic yards of earth per bite. In some mines, excavating wheels chew up 3,500 cubic yards of earth per hour and dump it on a conveyor belt which drops it two city blocks away.

Once the coal is exposed in surface mines, smaller power shovels scoop it up and load it into huge off-highway trucks for the trip to nearby preparation plants or to shipping points.

Supplementing underground and surface mining methods is auger mining, a procedure useful in hilly areas where coal seams continue under rising land too thick for economical surface mining.

By any method—underground, surface, auger—almost all coal is now mined and handled by machines. Machines of all sort carry it, crush it, clean it. Efficient modern devices load and unload coal-carrying railroad cars, trucks, barges and ships.

Demand Exceeds Supply in Coal

The differential between the increase in the demand for bituminous coal and the actual rise in production persisted through December 1966 which was marked by a slowing down of the tonnage space. Coal Age reports this month.

The magazine reports that, for the year, demand was up over 5 percent, while output rose slightly less than three.

Consequently, when the year's final report is made production will probably be close to 530 million tons of coal, against the 512 million in 1965.

Compared to the increase of 18 million in output, the increase in demand in 1966, including exports, was nearly 25 million, according to Coal Age. The magazine predicts that the 1967 increase will be modest—on the order of that in 1966.

Coke Ovens

The almost unnoticed remains of coke ovens here and there along the upper parts of Elkhorn Valley bear mute testimony to the early development of the coal fields in McDowell county and the Pocahontas district.

When coal was first discovered in the southern section of West Virginia, one of its principal uses was in the smelting of iron and other metals. In order to be used for this purpose, the coal had to be converted into almost pure carbon, or coke. Hence, the outdoor ovens.

Generating Plants Go Way of Coal

Despite the advance of atomic power, most of the new generating plants announced or under construction by electric utilities will be fired by coal.

A survey by the National Coal Policy Conference, Inc., early in 1966 showed that more than 75 power plants, burning more than 110 million tons of coal annually, are expected to be built by 1971.

Looking further into the future, the Federal Power Commission in its National Power Survey forecast that electric utilities in 1980 would require 500 million tons of coal—they used 243 million in 1965—and that the total 1980 coal market would be 800 million tons.

Coal's hold on the electric utility market has been bolstered by new cost-cutting techniques of moving coal to power plants, or moving the power to market.

Increased efficiency in mining has lowered the cost of coal at mine mouth, and many enormous new power plants burn it right there. They send its energy—coal by wire—to markets of ten hundreds of miles away through extra-high voltage transmission lines.

Other plants use the new railroading technique of unit trains. Improvements in barge transportation—including bigger barges, more powerful towboats and improved inland waterways—are also lowering the delivered cost of coal. . . .

New Channel Lets Ship Set Record

The world's largest coal port this week welcomed the world's largest coal collier on the first leg of her maiden voyage.

Principals in coal's latest drama were the Hampton Roads port at Newport News, Va., and the coal collier, the Cetra Columbis. The ship, whose home port is Le Havre, France, received a welcome like no other coal collier ever had.

Officials from France flew in on Monday to host the celebration. On hand were representatives from Virginia, West Virginia, the Interior Department and scores of invited guests.

After a lot of speech making and happy comradery by the assemblage, the huge ship nearly as long as three football fields—took on the first of what is expected to be a record coal cargo.

The $10 million Cetra Columbis has an 87,000-ton capacity. That's a lot of coal compared to the average 25,000-ton shipment that leaves Hampton Roads for foreign ports.

After taking on approximately 55,000 tons of coal at the Chesapeake and Ohio Railway pier at Newport News, the ship nosed across Hampton Roads to the Norfolk and Western Railway pier at Norfolk at high tide Tuesday.

There she was expected to take on enough coal to break the world's record of 72,132 tons of coal carried by one ship. That record was set by the motor vessel Sigtina at the N and W pier last August 10.

Channel deepening operations prevented the Cetra Columbis from taking on a full load at the C and O pier. By October, the ship will take a full cargo from Newport News.

The schedule calls for eventual transportation of a million tons a year in regular monthly runs from Newport News to Le Havre.

The Cetra Columbis will supply coal primarily for a new French power plant. Electricite de France, at Le Havre. The Association Technique de L'Importation Charbonniere, the French organization buying the coal, has chartered the ship from Cetramar, a consortium of four shipping companies.

Because she is a "push button" ship, the Cetra Columbis is manned by only 28 men. A conventional ship of the same size would be manned by hundred or more men, an official reports.

Coal and Energy

Nothing is more characteristic of 20th century civilization than the rapidly multiplying use of energy. Modern living demands far more energy per capita than our fathers used, and there are more of us to use it. Total consumption of energy in the United States more than doubled from 1941 to 1965. The cause was not only a growing population but a rising standard of living, including a galaxy of new gadgets that require energy to make and operate.

To meet the rising demand for energy now and in the years ahead, the American economy is relying more and more on a fuel that has been one of its mainstays for more than two centuries—bituminous coal.

WEST VIRGINIA UNIVERSITY EXPERIMENT STATION SAYS STRIP MINE RECLAMATION HIGH

MORGANTOWN, W. VA.—The West Virginia University Agricultural Experiment Station reported today that surface mine operators in West Virginia received more assistance from soil conservation (SC) districts in 1966 than ever before.

John G. Hall, land reclamation specialist for the WVU Station, said this new high for establishing vegetation on strip mine areas is encouraging. He points out, however, that much remains to be done to improve the current situation in West Virginia.

The State Soil Conservation Office in Morgantown notified Hall that recent figures from the SC districts in West Virginia show that the districts assisted mine operators in planting and seeding 6,050 acres during the fiscal 1966 year. This compares with the previous year's record of 4,324 acres.

Last week the experiment station announced the results of a six-year study of reclaiming strip mine spoil areas. The study, appearing in a recent publication (Station Bulletin 540) reveals the total number of reclaimed areas has been increasing steadily since the first 193 acres were planted and seeded between 1954 and 1958. Now the total number of acres has reached 23,176.

Under the present program the SC Service technician develops a revegetation plan on each permit area after the grading is completed and before the planting is done. The operator has the choice of doing his own revegetation work according to this plan or he may contract with the SC district to do the work. At the present time, nearly all of the revegetation work is being done by the districts.

In conducting the six-year study, SCS and the WVU Station cooperated by making a critical evaluation of vegetation growing on the different areas. They made actual counts and visual estimates to determine survival performance and stand density of the planted species.

The authors of the publication point out that the primary objective of planning a strip mine area is to stabilize the surface area, but secondary goals also include screening unsightly areas, growing products for economic use such as hay or wood, development of a wildlife habitat by use of plants that will increase food and cover, and recreation.

"Results of Revegetation of Strip Mine Spoil by Conservation Districts in West Virginia," was authored by Ross Mellinger, woodland conservationist for the SCS of the U.S. Department of Agriculture; Frank W. Glover, Jr., assistant state soil conservationist for the SCS; and John G. Hall.

KING COAL IS TAKING ON NEW FACES, JOBS

Research is mapping the route for bituminous coal—in many instances putting it in market places where it has never been before.

Coal is still America's solid fuel buy, but research has given it a new flair, the ability to change its shape to suit fuel fashion demands.

A consumer takes coal for granted when he flips an electric light switch. He is probably the same casual cool consumer who in the future will heat and cook with gas produced from coal—and run his car on gasoline extracted from coal.

Coal research promises other services at home and on the road. It is the primary fuel for the electric power, of course. But the great flow of coal-derived power from conventional steam-electric generating plants may be augmented soon by wattage from new electricity generating systems—the simple coal-based fuel cell and such tongue twisters as magnetohydrodynamics and electrogasdynamics. Because of the higher efficiency in the conversion of coal heat to electricity the cost of electricity from coal will be lower.

Current coal research is versatile enough to aim at radically new uses for coal at the same time it promotes better coal use by such traditional big customers as power generation, steelmaking and industrial processing. Even basic coal industry operations that reached high efficiency years ago are making fresh advances.

The importance of coal to the nation's progress has stimulated research and development on a wide front in industry and government. Focal point of the coal industry's research is Bituminous Coal Research, Inc., an NCA affiliate with a modern laboratory complex at Monroeville, Pa.

Individual coal companies also seek coal improvements in the laboratory and field, as do industries with a stake in coal.

Governmental agencies sponsoring research to assure full use of coal as a natural resource include the U.S. Office of Coal Research, the U.S. Bureau of Mines, the U.S. Geological Survey, the U.S. Public Health Service, the Tennessee Valley Authority, state geological surveys and coal producing states such as Pennsylvania, West Virginia, and Alabama.

A cross-section of the board coverage of research activities shows up in laboratories of Bituminous Coal Research, Inc. BCR's program spans coal technology from production to use, linking the fact-finding of basic research to development work on exciting new applications for coal.

Under a contract with the Office of Coal Research, BCR has a key role in a program aimed at opening a vast potential market for coal through gasification.

Another area of research by BCR is the control of air pollutants resulting from coal combustion. Strict air pollution control regulations pose a threat to coal by severely limiting both the permissible sulfur content and the emission of sulfur oxides from coal-fired plant stacks.

BCR has already developed a laboratory-scale process—known as catalytic gas-phase oxidation—to remove sulfur oxides from coal combustion gases. . . Research on other pollutants is also under way.

And as a part of the joint coal-utility industry attack on air pollution, BCR is supporting research to determine the concentrations at which pollutants in air become a hazard to people and property.

BCR is also attacking another coal-related pollution problem—the contamination of streams by acid waters draining from coal mines.

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. 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.

UNITED STATES-U.S.S.R. CONSULAR CONVENTION

Mr. MOSS. Mr. President, I am greatly encouraged by President Johnson's remarks yesterday concerning the pending Consular Convention with the Soviet Union.

It is my wish that the Senate be given the opportunity to vote on this issue at the earliest possible time.

Ratification of the Consular Convention has become one of the least understood, but most inflammatory, topics to come before the Senate in many years. There is so little that the general public really knows about this issue that I would like to take a moment or two to explain what the convention is all about, in the hope of shedding some light on the problem.

Admittedly, Americans who travel in Russia do so at their own risk. The risk of this travel, however, is partly our own doing. Without the ground rules set out in the Consular Convention, the Soviet Union can hold an American citizen incommunicado for extended periods. Under the Consular Convention, the Soviet Union has from 1 to 3 days in which to notify our consular officials that an American citizen has been detained.

The Soviet Union then must allow our U.S. consul access to an American citizen within 2 to 4 days. This access must be on a continuing basis. It cannot be shut off at the will of a Soviet official.

At this time, I will give the Senate a chronological outline of how a citizen of the State of Utah was treated just last fall. I speak of Craddock M. Gilmour, Jr., who was arrested in a well-publicized case on charges of currency black marketing. His companion, Buel Ray Wortham, of Little Rock, Ark., was also arrested on similar charges and additionally charged with the theft of a souvenir bear from a Russian hotel.

The men were arrested on October 1. On the 6th, the U.S. Embassy in Moscow was notified that the two Americans were being detained in Leningrad. The first visit to our boys was made by a consular official stationed in Moscow on October 11. On the 15th, a second visit was requested by our officials who had to travel from Moscow to Leningrad. Permission for the visit was denied.

On October 28, the second visit was finally permitted, although at no time could the boys be interviewed together. Their consular contacts were always separate from each other, and at no time could our Embassy man talk about the specifics of the charges or the case.

On November 11, the Americans were again visited. On November 23, the fourth visit was requested and finally granted on November 26. On November 30, our officials were denied access to Gilmour and Wortham, but on December 1, Wortham was visited by a U.S. official.

On December 2, Gilmour was released on bail, pending a trial. On the 8th U.S. officials visited Wortham, who for some reason was denied bail. However, now that he has been convicted of various charges and sentenced to 3 years in a work camp, he has been released on bail pending an appeal of his case to a higher Soviet court. This is an unprecedented action in Soviet legal matters, which may indicate that they, too, want better relations with the United States.

On December 9, American consular officials again visited Wortham in his jail cell in Leningrad. On the 17th of December, the court again granted permission for an American to visit Wortham, but access to Gilmour was denied.

On December 21, following a "trial," both men were sentenced. Gilmour was fined and left the country on the 23d.

With the proposed Consular Conven-

tion in force, these two young American tourists would not have had to undergo the continuous solitary confinement for such an extended period. Young Gilmour related, on his return to America shortly after the first of the year, that he was continually questioned during his confinement; that he had no access to legal counsel; that he had few letters; and that he had little hope except that which he was given by the periodically allowed visits by a consular official who had to travel from Moscow.

The responsibility for assuring better protection of American citizens traveling in Russia rests first with the Soviet Union. But, there is a responsibility now resting with the U.S. Senate—that of doing all within our power to provide the vehicle with which our diplomats can be armed to enforce binding agreements.

There are other facets to the Consular Convention which benefit both countries. Paragraph 2 of article 7 provides that development of commercial, cultural, and economic relations between the two nations will receive high priority. A consular representative in Leningrad, where much additional travel and commerce of the two nations would take place, would provide an excellent distribution point for information about America, for our various publications, and an official office to assist any citizen with any problem.

Mr. President, at this time it is likely that no more than one consulate would be opened in each country. This could not conceivably create a serious security risk to the United States. This is especially true when you consider that we already have, as President Johnson said yesterday, 452 Soviet officials with diplomatic immunity in the United States. An additional 15 or 20 Russian officials could be expected to staff a consulate. Mr. Hoover's comments certainly do not indicate that a grave security problem will present itself.

On the other hand, however, the extreme rightwing in America would have our citizens believe that the country will be flooded with spies and subversive agents. I have in my office several dozen telegrams and letters nearly all of which contain the same thread of fear instilled in the writers by rightwing propaganda. Perhaps if Mr. Hoover would accept an invitation to appear in an open Senate hearing, we could finally lay to rest the fears about a new wave of Communist espionage which it is charged would result from ratification of the Consular Convention.

Mr. President, recently there has been considerable talk in favor of bridge building with the East. An exceptional opportunity is at hand to do more than just talk about this ideal.

The Senate should be given the opportunity, after full discussion in open debate, to vote on the treaty. Certainly, when all of the facts can be discussed, the treaty should then be ratified. My wishes are certainly shared by a majority of thinking Americans who realize that the United States will reap great benefits from the Consular Convention.

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

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

ADJOURNMENT

Mr. BYRD of West Virginia. 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 adjourned until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 5 o'clock and 19 minutes p.m.) the Senate adjourned until Monday, February 6, 1967, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 3, 1967:

IN THE NAVY

Having designated, under the provisions of title 10, United States Code, section 5231, Rear Adm. John M. Lee, U.S. Navy, for commands and other duties determined by the President to be within the contemplation of said section, I nominate him for appointment to the grade of vice admiral while so serving.

IN THE AIR FORCE

The following officers to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

In the grade of lieutenant general

Lt. Gen. David Wade, [redacted] (major general, Regular Air Force) U.S. Air Force.

Lt. Gen. Waymond A. Davis, [redacted] (major general, Regular Air Force) U.S. Air Force.

The following-named officers to be assigned to positions of importance and responsibility designated by the President in the grade indicated, under the provisions of section 8066, title 10 of the United States Code:

In the grade of lieutenant general

Maj. Gen. Theodore R. Milton, [redacted], Regular Air Force.

Maj. Gen. William B. Kieffer, [redacted], Regular Air Force.

Maj. Gen. Charles H. Terhune, Jr., [redacted], Regular Air Force.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 3, 1967:

DEPARTMENT OF LABOR

James J. Reynolds, of New York, to be Under Secretary of Labor.

Thomas R. Donahue, of Maryland, to be an Assistant Secretary of Labor.

EXTENSIONS OF REMARKS

Twentieth Anniversary of Radio Station WAVA

EXTENSION OF REMARKS

OF

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Friday, February 3, 1967

Mr. BYRD of Virginia. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a message of congratulations to radio station WAVA on the occasion of its 20th anniversary.

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

I would like to take this opportunity to cite a public service in the metropolitan Washington area with which I am certain you are familiar. I refer to WAVA, the first and only "All News" Radio station in the Washington-Virginia-Maryland area, now celebrating its 20th Anniversary. Special recognition upon this is due to the outstanding efforts of its President, Mr. Arthur W. Arundel, who founded this all-news broadcast service here.

The concept of all news radio is a complete departure from the usual pre-programed musical format of radio stations with news at the hour and half hour. This unique station must be able to respond to any difficulty the moment it arises and at the same time maintain a constant flow of informative, factual and interesting material. WAVA has many times demonstrated its ability to so respond.

An outstanding example of this occurred during the Blizzard of '66. WAVA then went into a full time News Alert, providing a constant means of mass communication to the people of this area. WAVA reporters worked hand in hand with area police, fire department and military helicopter rescue services giving stranded listeners at home, office and in their cars assurance and news of the Blizzard situation.

WAVA has established a system by which Metropolitan area police and fire departments may, by using a special priority code, communicate with the listening audience. This was demonstrated during the recent Autumn flooding in areas around Washington as over six inches of rain fell in a few hours. Area police and fire departments then broadcast live over WAVA facts important to the safety of life and property.

These, of course, are more dramatic examples. The station's day to day value is that in this news-oriented area citizens now have a means of staying informed on what is taking place in the city, the nation, and the world simply by tuning to 780 on their AM radio dial, or 105.1 on FM. They do not have to wait for a certain time of day or for the printing of a newspaper, although Mr. Arundel is the first to say that no broadcast news service will ever be but a poor imitation of the depth reporting of a good neswpaper.

I'm sure, Mr. President, you will join me in extending sincere congratulations to a pioneering effort that has achieved success, not only financially, but more importantly as a public service to the citizens of the national capital area.