

Medical Corps of the Navy, subject to the qualifications therefor as provided by law:

David O. Childers *Warren W. Hamilton,
*Vernon H. Fitchett Jr.
*Robert R. Fowler *Edward J. Sullivan

The following named (Naval Reserve officers) to be permanent lieutenants and temporary lieutenant commanders in the Medical Corps of the Navy, subject to the qualifications therefor as provided by law:

*John D. Carlson *Richard J. Seeley
*Jesse A. Marcel, Jr. *John P. Smith
*Robert H. Pine *Brent A. Welch

The following named (Naval Reserve officers) to be permanent lieutenants in the Medical Corps of the Navy, subject to the qualifications therefor as provided by law:

*William E. Billings, *Warner G. Laster
Jr. *Kenneth L. Mayes
*Robert H. Cave

The following named (Naval Reserve officers) to be permanent lieutenants (junior grade) and temporary lieutenants in the Medical Corps of the Navy, subject to the qualifications therefor as provided by law:

*"A" Dean Anderson *Paul A. Kandler
*Douglas E. Barnard *Elmer F. Klein, Jr.
*Kenneth J. Billings *Stanley "J" Kreider
*Kenneth K. Birchard, Jr. *Joseph L. Krueger
*Richard W. Lucey
*Charles W. Bollinger *John E. Lytle
*Mack Bonner, Jr. *Michael P. McCarthy
*John J. Bouvier *James S. McGinn
*Alphonse H. L. Bruno, Jr. *Paul L. Majewski
*Francis G. Mannarino
*Jay "B" "V" Butler, Jr. *Michael A. Milek
*Douglas A. Miller
*Thomas H. Byrnes, Jr. *William W. Miller
*Walker H. Campbell *Edward G. Morhauser
*Richard E. Carlson
*Ronald J. Cavanagh *Malcolm M. Murdoch
*Charles T. Cloutier *William M. Murphy
*Jack R. Collins Jr.
*John D. Conger *Ralph A. Nelson
*Thomas E. Corley *John J. O'Neill
*Charles T. Covington *Richard D. Paolillo
*Francis M. Criswell *Lynn M. Phelps
*Howard P. Cupples *Joel R. Poole
*Clayton F. Drake, Jr. *Ted T. Pridmore
*Christopher W. Duerker *Russell J. Reit
*Charles A. Rend
*Lawrence R. Rubel
*Roger W. English *Stephen R. Ryter
*Crayton A. Fargason *David A. Sharbo
*Richard L. Fasset *Joseph A. Shields, Jr.
*Louis C. Fischer *Jerry R. Smith
*Theodore L. Folkert *Donald F. Sprafke
*David R. Foreman *Wilbur Suesberry
*Alfred R. Frankel *Frederick J. Tanz
*David F. Garvin *Carroll S. Tuten
*Charles C. Gay *Richard W. Virgilio
*Bruce R. Geer *Richard C. Waterbury
*Hugh E. Gleaton, Jr. *Ronald L. Wax
*Leonard J. Gosink *Robert D. Wertz
*James L. Hauser *David P. West
*Walter D. Henrichs *Francis D. Wilken
*William W. Holm *Paul F. Williams
*Reese E. James *James L. Wise, Jr.
*Ray M. Johnson
*Edward P. Juras

*James N. Falkenburg (civilian college graduate) to be a permanent lieutenant (junior grade) and a temporary lieutenant in the Dental Corps of the Navy, subject to the qualifications therefor as provided by law.

*George C. Morrison (Naval Reserve officer) to be a permanent lieutenant in the Dental Corps of the Navy, subject to the qualifications therefor as provided by law.

The following named (Naval Reserve officers) to be permanent lieutenants and temporary lieutenant commanders in the Dental Corps of the Navy, subject to the qualifications therefor as provided by law:

*John T. Stevens
*Raymond C. Terhune

The following named (Naval Reserve officers) to be permanent lieutenants (junior grade) and temporary lieutenants in the

Dental Corps of the Navy, subject to the qualifications therefor as provided by law:

*James R. Holtan *Milton C. VanMeter,
*Leslie D. Propp Jr.
*Carl M. Trepagnier Charles H. Zols
*William G. Simpson

The following named temporary commissioned warrant officers to be appointed permanent chief warrant officers, W-4, in the Navy, subject to the qualifications therefor as provided by law:

Robert F. Molen Leroy C. Richey
Orlando L. Palombo Curtis H. Sims

The following named temporary commissioned warrant officers to be appointed permanent chief warrant officers, W-3, in the Navy, subject to the qualifications therefor as provided by law:

Howard P. Cady Michael Shontz
Frank R. Ketterer Frank Stephens, Jr.
John C. Milligan Willard F. Wasson
Wayne E. Myers Heber D. White

IN THE MARINE CORPS

The following named (Army Reserve Officer Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Richard F. Liebler

The following named (platoon leaders class) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

John M. Allen Michael P. Holland
Lester E. Amick III Richard G. Hoopes
James L. Anderson Raymond A. Hord
Stephen L. Austin Ralph M. Jeide
Richard G. Averitt III Timothy L. Johnson
Ronnie J. Bailey Ivan M. Jones, Jr.
John J. Banning Edward R. Kenney
James H. Beaver Gerald L. Keys
David L. Bjork Edmond A. Kinsella,
Eugene S. Blasdel Jr.
William C. Bradford Lynn E. Kinzig
James A. Brinson, Jr. John J. Kispert, Jr.
Richard M. Brown Richard O. Laing
Kenneth H. Bruner John P. Larison
Donald J. Buzney John C. Ledoux
Mark A. Byrd Francis E. Lewis
Robert W. Byrd John M. Lowman
Merritt N. Chafey Justin M. Martin II
Stephen M. Chase Donald J. Matocha
Bruce B. Cheever II Dennis M. McCarthy
John J. Cochenour Michael E. McClung
Thomas J. Costigan Thomas M. McEntire
Richard R. Crawford James H. McKelligon
Herbert T. Cross Steven S. McMahan
William L. Davila Daniel D. McMurray
Dellwyn L. G. Davis Wallace W. Mills
Lee H. Des Bordes, Jr. John W. Monk, Jr.
John H. Diez Francis A. Mooney
Michael J. Dineen Ronald H. Morgan
Stuart A. Dorow Bruce C. Murray
David T. Dotson, Jr. Dennis R. Muvich
Wayne C. Doyle Rafael Negron, Jr.
Darryl F. Dziedzic James H. O'Brien, Jr.
George T. Eastment Jerry G. Paccassi II
Matt Parker III
John R. Fogg Anthony J. Pesavento
John J. Folan, Jr. David W. Peters
Claude R. Fridley John E. Peterson, Jr.
Leonard R. Fuchs, Jr. John C. Powers
William J. Ganter, Jr. James T. Ranstead
Robert J. Garing Joseph V. Reasbeck
David M. Gee III
George F. Getgood Richard L. Reeh
Robert E. Gleisberg Durwood W. Ringo, Jr.
William A. Good Richard J. Robert, Jr.
Robert L. Graler Benjamin T. Roberts
Alfred Grishaber, Jr. Joe D. Robinson
Jimmie C. Gulliford David R. Rood
Robert W. Harris William G. Ross
Carl J. Hasdovic Steven R. Sanford
John R. Heintz, Jr. John F. Schofield, Jr.
Michael K. Higgins William C. Sellmer II
Klaus P. Hille Richard A. Sergio
Charles O. Hoelle, Jr. Robert J. L. Shuman
Harold C. Holden Kenneth L. Shackelford, Jr.
John N. Holladay

Paul F. Skoog
Kenneth A. Solum
John G. Spindler
Helge R. Swanson
Robert F. Thompson
William G. Thrash, Jr.
Dick A. Tracy
Douglas C. Vassy
Thomas P. Wilbor

Gustave J. Willemine,
Jr.
Joe P. Williams, Jr.
Michael M. Williamsen
John D. Wintersteen
William K. Wonders
Alm C. Worley
John W. Wuethrich
Walter R. Young, Jr.

The following named (Naval Reserve Officer Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Raymond F. Baker
William C. Evans
Alan C. DeCrane

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 3, 1967

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

I am the vine, ye are the branches. He that abideth in Me, and I in Him, the same bringeth forth much fruit; for without Me ye can do nothing.—John 15: 5.

O Lord, who art the source of light and life, and the fountain of peace and power, let Thy spirit arise within us as we worship Thee this moment. Open our hearts that we may receive the good seeds of Thy Word and let Thy spirit ripen them into the fruits of righteousness and love.

Prosper our Nation in all its life and work that there may be no want anywhere and favor us with Thy presence that good will may reign in the hearts of all our people.

Bless our President, our Speaker, and all these Representatives of our Nation—may they be filled with Thy spirit, the spirit of wisdom and understanding, of faith, and of love. Undergird us in our freedom that we may be forever the land of the free and the home of the brave.

Be Thou with us and may we be with Thee. In the name of Christ we pray. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, March 23, 1967, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Geisler, one of his secretaries, who also informed the House that on March 29, 1967, the President approved and signed a joint resolution of the House of the following title:

H.J. Res. 273. Joint resolution to amend the Agricultural Adjustment Act of 1938, as amended, with respect to the lease and transfer of tobacco acreage allotments.

THE LATE HONORABLE PAUL MALONEY, SR.

Mr. BOGGS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include an editorial.

The SPEAKER. Is there objection

to the request of the gentleman from Louisiana?

There was no objection.

Mr. BOGGS. Mr. Speaker, I take this time to announce to the Members of the House the passing of our late distinguished colleague, Mr. Paul Maloney, Sr., who served in this body until 1940 for a period of 10 years, and thereafter for a period of 4 years.

He had a distinguished career both in the Congress and out of the Congress. He served with distinction as a member of the municipal government in the city of New Orleans, and on countless public and civic bodies. He was a prominent, able, successful businessman. He was a man of many interests, was a wonderful family man, and was blessed with a long and fruitful life.

At the time of his departure early last week, when the Congress was not in session, he had reached the age of 91. He was active until the very last, almost the last minute of his life, in his business and civic endeavors and in his family devotion.

In all of his endeavors, Mr. Maloney was an exemplary public servant and a tireless civic leader. Not only did he serve as a Congressman for the Second District of Louisiana for 14 years, but also served his city of New Orleans as a member of the commission council; as president of the Orleans Levee Board, and as internal revenue collector in New Orleans.

In addition to his public service, Mr. Maloney also forged a successful and progressive business with the Maloney Trucking Co., of which he was chairman of the board for many years before his passing. He also attained success in the fields of storage, homestead financing, and automobile sales.

Congressman Maloney was a great public servant, and he was beloved by the citizens of New Orleans and of his State. I am proud to have known him and to have had the honor to follow such a man in the office I now hold, that of representing the people of the Second Congressional District of Louisiana.

Mrs. Boggs joins me in expressing our deepest sympathy to his fine family on their loss and the distinct loss to our community, our State, and Nation.

I also would like to insert in the RECORD for the benefit of my colleagues a fine editorial on Mr. Maloney by the Times-Picayune newspaper of New Orleans. The editorial follows:

PAUL H. MALONEY, SR.

With life expectancy itself not yet past verging on three-score-and-ten, and retirement an increasingly favored goal, it is fantastic that 77 of the late Paul Herbert Maloney Sr.'s 91 years of life went into labor, management and public service. His death gave very few persons notice—a hospitalization of less than a day. And until his illness, he not only was putting in eight hours daily in coordination of his business affairs, but pursuing a weekly golfing regime of about 36 holes. In earlier days he was, among other things, an active baseball player.

Transport, storage, homestead financing and automobile sales were perhaps the leading business fields in which he attained success once his foot went on the ladder. In the political field, he served successively in the Legislature, City Council and Congress

(1929-40, 1943-46); almost became mayor. He was a president of the Orleans Levee Board and an Internal Revenue Service collector. Fraternal and business associations, etc., along with sports activities other than mentioned above, occupied interstices of his time.

Longevity, to be accomplished through constant industry, coupled with moderation and a nod toward the climate, used to be one of the "selling points" made by New Orleans to settlers from afar. Mr. Maloney, having been born here, did not need to be sold; nor do we suppose his life's ambitions necessarily centered on longevity. Nevertheless, his career turned out to resemble those of certain fabulous figures of the remote past. To his survivors, we extend our sympathy, and our congratulations for having closely shared the life of a remarkable man.

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

Mr. BOGGS. I yield to the gentleman from Louisiana, the dean of our delegation.

Mr. HÉBERT. Mr. Speaker, I want to associate myself with the remarks of my colleague on the passing of our former colleague, Paul Maloney.

There are in the House now only about two Members who served with Mr. Maloney when he graced this body. He served for 10 consecutive years. He was out for one Congress but returned for two more, as my colleague indicated. He was the first Louisianian elected to the Ways and Means Committee, a position which his successor, my colleague, now occupies on the Ways and Means Committee.

Paul Maloney's life and career in New Orleans were exemplary. His early life was devoted entirely to his city and to his State. No man, I think, in the history of politics, certainly in New Orleans, a city which he loved so much, had the affection which Paul Maloney had from those who knew him. I was privileged to know him as a young man. His son and I were classmates at Tulane University. I knew him as a Member of Congress. I had the privilege of serving with him for 4 years. I am certain that those Members who knew him here will regret his passing and, as my distinguished colleague has said, the city, the State, and the Nation have truly lost a great patriot. His family has suffered the loss of a devoted husband and father. Those of us who were privileged to know him have suffered the loss of an irreplaceable friend.

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

Mr. BOGGS. I yield to the gentleman from Mississippi, the distinguished chairman of the Committee on Rules.

Mr. COLMER. Mr. Speaker, I just learned as I walked into the Chamber that our lovable and distinguished former colleague, Paul Maloney, had passed into the great beyond. I do not know of anything that I could add to what has already been said about this truly great Louisianian and great American. I think if I were asked to appraise his most outstanding virtue—and he had many of them—I would say it was his lovable character and his devotion to his friends. Paul Maloney was one of the sweetest characters I ever knew. I doubt if any man ever suffered by anything that he had to say about him. He was generous,

he was gracious, he was lovable. I join with my colleagues here from Louisiana who had the privilege of serving with him, who had the privilege of knowing him and who had the privilege of having their own lives enriched by associating with him. I join my colleagues in paying my respects and extending my sympathies to his family and those whom he loved highly.

GENERAL LEAVE TO EXTEND

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on this subject.

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

There was no objection.

TO TERMINATE THE INDIAN CLAIMS COMMISSION

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2536) to terminate the Indian Claims Commission, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and ask for a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Colorado? The Chair hears none, and appoints the following conferees: Messrs. ASPINALL, HALEY, EDMONDSON, SAYLOR, and BERRY.

SPECIAL SUBCOMMITTEE ON LABOR—PERMISSION TO SIT

Mr. THOMPSON of New Jersey. Mr. Speaker, I ask unanimous consent that the Special Subcommittee on Labor may be permitted to sit during general debate on today and tomorrow.

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

There was no objection.

EXPENDITURES THUS FAR IN THE CURRENT FISCAL YEAR

Mr. MAHON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include tables.

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

There was no objection.

SUMMARY OF NET BUDGET RECEIPTS AND EXPENDITURES (THE TRADITIONAL ADMINISTRATIVE BUDGET)—8 MONTHS OF FISCAL 1967 VERSUS 8 MONTHS OF FISCAL 1966, WITH COMPARISONS

Mr. MAHON. Mr. Speaker, under leave to extend, I am including a tabulation of budget receipts and expenditures for the first 8 months of the current fiscal year 1967—to February 28, 1967—with comparisons to the corresponding 8-month period in fiscal 1966, and with the latest revised official budget estimates for all of fiscal 1967. Periodic, highly summarized, bird's-eye comparisons of budget projections and budget results are useful in keeping posted on how budget

projections are holding up as the year progresses.

It is the estimated, or actual expenditures compared with the estimated, or actual revenues on which the estimated, or actual budget deficit or surplus finally is calculated.

It is the expenditures, in conjunction with revenues, that determine the current fiscal position of the Treasury.

Expenditure data is one side of the equation in determining the debt ceiling.

The figures in the tabulation relate to the administrative budget; that is, the one involving Government-owned funds, the one most directly reflecting the ultimate results of congressional budgetary actions—prior actions for the most part, since expenditures in the current fiscal year 1967 are very largely from appropriations of prior sessions, and current fiscal year revenues generally arise from legislation of prior years.

May I say further that net budget expenditures—that is, checks issued—in a given fiscal year—and it is usually the expenditure estimate total of the President rather than the new appropriations request that gets in the headlines—expenditures in a given fiscal year come from two sources:

First. Very roughly, 30 percent or so will be from unexpended carryover balances of appropriations voted in previous year, and

Second. The other 70 percent or so will represent estimated first-year disbursements from the appropriations for that fiscal year—the other 30 percent will fall into the category of carryover balances into the fiscal years following.

But, Mr. Speaker, while expenditure data are important and have several uses, Congress, in processing the outgo side of the budget, considers and acts not on expenditure estimates but rather on requests for appropriations—or, in executive branch terminology, on “new obligational authority.” Congress does not act directly on estimates of amounts to be expended, that is, disbursed within the given fiscal year.

The authorization bills and the appropriation bills coming to the floor are stated on the appropriation or new obligational authority basis, not on the partial basis of how much is estimated to be paid out in a given fiscal year. While it is pertinent to know that some 70 cents of the dollar may be expected to be paid out in the first fiscal year, and the other 30 cents in years following, the important thing—the congressional decision—turns on the authorization or the appropriation of the \$1 in the first instance. In just what time periods the dollar will subsequently be drawn out by check is of secondary importance.

ADMINISTRATIVE BUDGET RECEIPTS

In contrast with budget expenditures which tend to recur somewhat more evenly over the months of the fiscal year, the more usual pattern of budget receipts shows September, December, March, and June as peak months; receipts in the first half—July–December—of the fiscal year are usually not as high as in the January–June second half.

Budget revenues for all of fiscal 1967 were reestimated by the President in the

1968 budget in January at \$116,995,000, which, if realized, would exceed actual fiscal 1966 revenues by \$12,268,000,000. In the first 8 months of fiscal 1967, actual net budget revenues amounted to \$66,328,000,000—some \$8,429,000,000 higher than the corresponding 8 months of fiscal 1966. In other words, roughly 69 percent of the projected rise in revenues was in fact realized in the first 8 months of the fiscal year.

ADMINISTRATIVE BUDGET EXPENDITURES

Budget expenditures for all of fiscal 1967 were reestimated by the President in the 1968 budget in January at \$126,729,000,000, which, if realized, would represent an increase of \$19,751,000,000 over fiscal 1966 actual budget expenditures.

On an arbitrary straight monthly basis, the projection means an average expenditure of \$10,561,000,000 per month, in contrast to which the expenditures in the first 8 months, July–February, in fact averaged \$10,438,000,000. The national defense monthly average was \$1,176,000,000 higher than in the same period a year ago; the nondefense average was \$521,000,000 higher than in the same period of fiscal 1966.

In the first 8 months of fiscal 1967, actual defense spending ran below the straight monthly projected average; nondefense ran above the straight monthly projected average. But in total, the actual monthly average in the first 8 months of fiscal 1967 was just a whisker below the straight monthly budget projection. Of course, the monthly pattern is never completely uniform—for many reasons. For instance, some programs call for expenditures early in the fiscal year that do not recur in later months of the year. Commodity Credit Corporation expenditures are

heavier in the first half than they are in the second half. Another factor bearing on the current situation is that the President's announced expenditure cutback effort designed to retrench spending by some \$2.6 billion in the 1967 administrative budget was not fully developed, and thus not fully effective until October or November—some 4 months or so after the beginning of the fiscal year.

ADMINISTRATIVE BUDGET SURPLUS OR DEFICIT

The revised administrative budget deficit for fiscal 1967 was projected at \$9,734,000,000 in the President's 1968 budget in January. Principally because tax collections are lighter in the first half of the fiscal year than in the second half, the actual budget deficit in the first 8 months of fiscal 1967 was somewhat higher than is projected for the whole year; it was \$17,181,000,000 at February 28, 1967—some \$5.1 billion greater than at the same point last fiscal year.

Notwithstanding growing defense expenditures, and enlarging nondefense outlays, a rising tide of revenues in recent years enabled the Government to make big strides toward balancing income and outgo. In each of the last 3 fiscal years, the administrative budget deficit has been reduced from the prior year:

[In millions]

Deficit, 1964.....	\$8,226
Deficit, 1965.....	3,435
Deficit, 1966.....	2,251

But as the table below discloses, national defense spending is projected to rise in fiscal 1967 some \$12.5 billion above fiscal 1966. Nondefense spending is, of course, also considerably higher, but military operations in southeast Asia are the single largest factor in the reversal of the trend.

Budget receipts and expenditures (the traditional administrative budget) 8 months of fiscal 1967 versus 8 months of fiscal 1966 and comparisons with full-year estimates

[In millions of dollars]

	Actual for 8 months (to Feb. 28)			President's budget estimates (revised) for all of fiscal 1967 compared to actual results for all of fiscal 1966		
	Fiscal 1967 (8 months)	Fiscal 1966 (8 months)	1967 compared to 1966 (8 months)	Revised budget estimate, 1967 (January 1967)	Actual, 1966	1967 revised budget estimate compared to actual 1966
1. Budget receipts (net).....	66,328	57,899	+8,429	116,995	104,727	+12,268
2. Budget expenditures (net):						
A. National defense (per official budget classification).....	45,338	35,927	+9,411	70,222	57,718	+12,504
B. Other than national defense (see selected breakout in item 5).....	38,171	34,002	+4,169	56,507	49,260	+7,247
Total budget expenditures, net.....	83,509	69,929	+13,580	126,729	106,978	+19,751
3. Net deficit or change.....	-17,181	-12,030	+5,151	-9,734	-2,251	+7,483
4. Average monthly expenditure:						
A. National defense.....	5,667	4,491	+1,176	5,852	4,810	+1,042
B. Other than national defense.....	4,771	4,250	+521	4,709	4,105	+604
Total monthly average.....	10,438	8,741	+1,697	10,561	8,915	+1,646
5. Selected expenditures in the non-defense portion of the budget:						
A. Interest.....	8,971	7,958	+1,013	13,508	12,132	+1,376
B. Veterans.....	4,166	3,429	+737	6,394	5,023	+1,371
C. Health, labor, and welfare.....	6,714	5,005	+1,709	10,359	7,574	+2,815
D. Education.....	2,213	1,261	+952	3,304	2,834	+470
E. Space.....	3,709	3,772	-63	5,600	5,933	-333
F. Housing and community development.....	759	510	+249	890	347	+543

Sources: Budget for 1968 and monthly Treasury statement for Feb. 28, 1967.

In consequence, the current fiscal 1967 deficit will be the 31st in the last 37 years. The public debt—which, of course, rises when money is borrowed to cover the shortfall—stood at \$329,625,000,000 at February 28. The current debt ceiling is \$336 billion.

The foregoing summarizes administrative budget results for the first 8 months of the current fiscal year, 1967. While no one can say with absolute certainty, it would appear fair, in conclusion, to suggest that there have been no developments as of this date which would modify the previous calculations in a spectacular way. Depending on what the conference produces, conceivably the 7-percent investment credit restoration bill could result in some relatively small drop in projected fiscal 1967 budget receipts. And the recent release by the Executive of a portion of fiscal 1967 funds previously withheld from expenditure will have a relatively slight upward effect on 1967 expenditure estimates.

I append a table that gathers the revenue and expenditure figures together in comparative form.

MAYOR DALEY'S CERTAIN ELECTION TO UNPRECEDENTED FOURTH 4-YEAR TERM

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, tomorrow Richard J. Daley will be elected to an unprecedented fourth 4-year term as mayor of Chicago. I spent last week among my constituents in the 2d district on the South Side of Chicago, voted absentee at the city hall and returned to Washington for the reconvening of the House today. In all my years in Chicago, and I in my small way have participated in many mayoralty campaigns, I have never known such a unanimity of public sentiment on the eve of an election. The newspaper polls show Daley way ahead in every ward except the home ward of his Republican opponent and in that ward the straws are close. It constitutes a tribute to the mayor of the centuries.

Russell DeBow, administrative aid to Mayor Daley and well known on Capitol Hill, gave me a sketch of Mayor Daley, his background, his philosophy, and his goals that I know will be of keen interest and inspiration to all my colleagues. By unanimous consent I am extending my remarks to include the article, as follows:

THE STORY OF CHICAGO'S MAYOR RICHARD J. DALEY

"We can only be proud of our leadership as a city if we continue to lead."

Typical of his forward-looking attitude, this statement of Mayor Richard J. Daley sounds the keynote of his candidacy for election on April 4.

Immediate and long-range goals for Chicago were summarized by the city's thirty-eighth Chief Executive in this way:

"To improve the quality of life, by enlarging human opportunities, improving the en-

vironment, and strengthening and diversifying the economy, is the fundamental goal of the citizens of Chicago for the future. This concept involves both aspiration and urgency. The aspiration is for a better life, a wider variety of economic, social and cultural opportunities for every individual. To attain these hopes urgent needs must be met. Young people must be better educated. Living conditions must be brought up to constantly rising standards of expectation. Most of all, the cycle of poverty and deprivation must be eliminated."

For Richard J. Daley, the formative years followed the pattern of growth and development shared by other youngsters who have won prominence in the life of the big city.

FINE PARENTS AND GOOD FRIENDS

Asked recently by an interviewer to assess the years of his coming-along, Mayor Daley summed it up in this way:

"I was very fortunate, I had fine parents, a good family life, the opportunity for an education, good friends, and the advantage of being born and raised in Chicago."

Like innumerable other lads of his age and acquaintance, "Dick" Daley had his first experiences in public relations as an after-school-hours newsboy, selling papers from the stand at 35th and Halsted Streets.

Woodrow Wilson was President of the United States. Edward F. Dunne was Governor of Illinois. Carter Henry Harrison II was Mayor of Chicago. Their names were often in the headlines and the newsboy read avidly of their activities. Stirrings of political ambition are traceable to this interest. But City Hall was miles—and years—away.

Meantime there was Comiskey Park, within walking distance. The home of the White Sox became a kind of home-away-from-home for young "Dick" Daley during his leisure hours. It was the beginning of a life-long love of athletics.

In 1936, Richard Daley was married to Eleanor Guilfoyle, a long-time family friend. Shortly afterward the young couple acquired the bungalow at 3506 Lowe Ave. where their family has been raised. The children are Patricia (wife of William F. Thompson), Mary Carol (wife of Dr. Robert Vanecko), Eleanor, Richard, Michael, John and William. Mayor and Mrs. Daley now have two grandchildren.

Richard Joseph Daley was born in Chicago, the son of Michael and Lillian Daley, and his boyhood home was not far from his present residence. His father, who lived to see his son inaugurated as Mayor, was a sheet metal worker deeply interested in the growing labor movement and active in Bridgeport civic and political affairs.

ATTENDS NIGHT SCHOOL AT DE PAUL

After graduation from DeLaSalle high school, "Dick" went to work "yarding cattle" in the nearby Stockyards, graduating to office work and attending night school classes at De Paul University. Both his college and law school education were acquired at De Paul. Graduating with an LL.B. degree in 1933, he was admitted to the bar in the same year and became a practicing attorney.

Twenty years later, given an honorary degree by De Paul, he provided an insight into his own character by exhorting students: "No matter what field of endeavor you choose, be the best. Never content yourself with mediocrity."

"I always felt that Dick would achieve whatever goals he aspired to," said the gracious First Lady of Chicago in a recent interview. "He has always had great determination, great energy, and great concentration."

Mayor Daley has a "friendly, but unaffected, directness of manner which seems to characterize every phase of his busy life," said one writer. "He impressed me as a man who, in a unique degree, has become well educated and has achieved leadership without losing contact with people."

In a 1963 article for Holiday magazine, James Dugan wrote that Mayor Daley "is almost unanimously regarded by Chicagoans as the best Mayor the city has ever had," adding: "Horatio Alger would splinter a quiver of pens trying to figure out why Daley is a success."

As a matter of fact, Alger may have had something to do with it. During his boyhood the Mayor read the wholesome Alger books, which had great circulation among youngsters of the time.

HARD WORKING PUBLIC OFFICIAL

A Chicago Tribune editorial published on May 2, 1964 said: "Mr. Daley is a real expert in municipal government, as well as in the allied academic discipline known as municipal politics. He has taken few holidays since he became Mayor and is known to be one of the hardest working public officials in America."

Writing in Chicago's American on June 17, 1966, the columnist Jack Mabley declared: "It is said that power corrupts and absolute power corrupts absolutely. It is simply not true of Daley."

Time magazine used Mayor Daley's portrait on the cover of its March 15, 1963 issue and in an article noted: "Few others understand so well what the city is all about; its labyrinths of power, the pulsators of its machinery, the structures of its institutions, the yearnings of its people. Chicago's motto I Will is Daley's personal and political charter."

A Democratic precinct captain at 21, Mayor Daley's first bid for public office was a write-in campaign that landed him in the General Assembly as a member of the House for two years. Elected to the state Senate in 1938, he served two four-year terms, and was minority leader in that body from 1941 to 1946, initiating or helping to pass bills which were the forerunners of some of the most progressive action taken in the state and the City of Chicago. He has continued his fight for Chicago "Home Rule."

Appointed deputy comptroller of Cook County in 1946—a post that sharpened his understanding of government financing—he was appointed Director of the Illinois Department of Revenue by Gov. Adlai E. Stevenson in 1949. Highly regarded by Stevenson, Daley had much to do with guiding through the Legislature the programs which helped shape the Stevenson "image" and form the foundation for his bid for the Presidency.

In 1950, Mayor Daley was appointed to fill the vacancy in the office of the County Clerk, was elected to a full term in the Fall of 1950 and re-elected in 1954.

In 1953, as the committeeman of the Eleventh Ward, he was elected by the members of the Democratic Party of Cook County as chairman. Termed by the press as "the first of the new breed of leaders," he remains as chairman by election of the committeemen.

CHICAGO'S 38TH CHIEF EXECUTIVE

Elected in 1955 as Chicago's 38th Chief Executive, Richard J. Daley's dynamic action, stemming from the unbounded energies and enthusiasms of the man himself, became almost immediately the hallmark of his administration.

"It is exciting and refreshing to fly from New York, a city beset with problems, to Chicago, enjoying a remarkable rebirth," wrote Alex Faulkner in the London Telegraph. In "the new Chicago of the soaring sixties," he found: "Buildings displaying great architectural imagination and vitality . . . the ebullient Richard J. Daley . . . a city almost unrecognizably clean . . . new amenities in city lighting . . . a great growth of universities . . . broadly based prosperity . . . tremendous trade expansion . . . traffic so well conducted that Chicago was voted the safest city in America."

Richard C. Wade, professor of urban history at the University of Chicago recently assessed Chicago's Chief Executive in this way: "Daley is easily the best Mayor Chicago ever had, and one of the best in the nation since World War II."

The record of his administration is truly monumental. He managed to take a stagnant city and make it move forward. How he did it is a continuing and rewarding study, but that he did it is of greater importance.

HIGHLIGHTS OF THE DALEY YEARS

Here are some highlights of what the current historians call the "Daley Years:"

The reorganization and professionalization of the Chicago Police Department under Superintendent O. W. Wilson, enabling Chicago to reduce crime in the face of mounting lawlessness in the nation.

The reorganization and modernization of the Chicago Fire Department under Commissioner Robert J. Quinn, giving Chicago the highest fire-fighting and fire-prevention rating accorded to cities. Establishment of emergency ambulance service available within three minutes of any part of the city.

The reorganization and modernization of the Department of Streets and Sanitation, giving Chicago homes dependable weekly refuse collection service and more frequent pick-ups where needed. The construction of 3 refuse disposal incinerators serving the entire city, with construction to begin on the Northwest this year and two more to be built.

The "cleanest big city" award for 1959, 1961, 1962, 1964, 1965, and 1966.

The National Safety Council Award of Merit repeatedly given Chicago as the safest big city in traffic management.

The reorganization and modernization of the Department of Health under Dr. Samuel A. Andelman, enabling the virtual elimination of communicable diseases, new programs in dealing with mental health problems, cancer, heart, diabetes, infant and maternal welfare. A massive drive against rodent and vermin infestation in dwellings launched in 1965 has been hailed by Dr. Harold Scott, chief scientist of the U.S. Public Health Service, as the nation's most effective.

The establishment in 1965 of the Committee on Urban Opportunity, local-federal agency waging the war on poverty in cooperation with eighty public and private organizations through seven progress centers. Operation Head Start for pre-school children enrolled 60,000, and more than 30,000 teenagers joined the neighborhood Youth Corps.

The reorganization and modernization of the Chicago Department of Buildings, enabling the reduction of substandard housing by more than sixty percent. The demolition of thousands of hazardous buildings throughout the city, stimulating the greatest building boom in Chicago's history. Maintaining a concerted drive against slum landlords, providing for appointment of receiver-managers of buildings whose owners refuse to comply with building code requirements. Neighborhood service centers within the local residential communities set up to provide easily available advice and assistance to property owners on architectural, structural and financing problems.

PLANS LIGHT IN EVERY ALLEY

The reorganization and modernization of street and alley paving plus the initiation of the program to light every alley and underpass in the city by Spring of 1967.

The installation of 4902 traffic signals.

The planting of 212,445 trees.

The construction of 67 parking lots and eleven parking garages.

The construction of the North Water Filtration Plant providing a purified fluoridated water supply to central and north sides of the city. The expansion of the South Water Filtration Plant to give the entire city and the suburbs subscribing to the service, water for home consumption. The plants have

been given the highest rating by the United States Public Health Service and the American Insurance Association.

The construction and development of O'Hare International Airport—world's busiest and most efficient center of air transportation—without cost to the taxpayer.

The reactivation of Midway Airport.

The construction of the Wacker Drive Extension, Dan Ryan, Eisenhower, Kennedy, Stevenson, and Southwest expressways; the widening of the North and South Outer Drives; the construction of the Oak Street overpass; the construction of nine bridges, two viaducts, three underpasses, and two through lane underpasses.

The reorganization and modernization of the Department of Air Pollution Control, with the ultimate goal of controlling all sources of air pollution in the city.

The reorganization of the city's community planning functions in the establishment of the Department of Development and Planning.

The development of 30 parks and playgrounds, 6 beaches and 5 swimming pools before recreation facilities were transferred to the Park District in 1957.

The construction of the Chicago Circle campus of the University of Illinois.

The building of the architecture-award-winning Civic Center and its plaza.

The establishment of the Mayor's Committee for Economic and Cultural Development.

The establishment of the Chicago Alcoholic Treatment Center and out-patient clinic.

The organization of the Chicago Office of Urban Opportunity.

The institution of the Executive Budget, termed the best municipal book-keeping system in the nation.

LOWEST DEBT OF BIG CITIES

The lowest municipal debt of cities over 1,000,000 population, and the lowest bonded indebtedness of all cities over 500,000 population.

The activation of the Department of Consumer Sales, Weights and Measures to protect housewives from unscrupulous sales practices.

Recognition of Mayor Daley's exceptional administrative talents, his dynamism, his "feeling for Chicago" has come from many sources. He has, for instance, been named "Man of the Year" by the Polish Daily News, the Lithuanian American Association, the Junior Association of Commerce, and has been awarded numerous honorary scholastic degrees. During the last few years he was accorded the signal honor of addressing student bodies at Wisconsin, Harvard and Villanova Universities, speaking of municipal problems and solutions, urging students to careers in public service.

At Harvard on February 8, 1964, a news-story reported: "They cheered him heartily for his straightforwardness. Chicago's Mayor Daley stood eyeball to eyeball with Harvard—until Harvard blinked. He drew a pair of spontaneous ovations."

In a 1963 article the Christian Science Monitor said: "No one questions his loyalty to his family, his church, his city. He works hard to help Chicago grow. He is certainly brave, as well as deeply reverent."

COMPREHENSIVE PLAN FOR THE FUTURE

In December of 1966, Mayor Daley made public the Comprehensive Plan for Chicago—a long-range, multi-faceted program for future progress calculated to make the city, within fifteen years, the nation's most ideal center of urban living. Hailed on all sides as the most practical and thorough-going blue print for betterment developed since the original Burnham Plan provided the imaginative guide lines for the city's present greatness, implementation of the Comprehensive Plan is foremost among Mayor Daley's present objectives. Its challenge for up-building, up-dating and transforming the

city was unquestionably a compelling factor in his decision to seek re-election.

There were many other strong compulsions. Business, labor, civic, religious, industrial, youth and professional organizations urged him to carry on for Chicago.

Mrs. Daley said she would abide by whatever decision her husband made.

The city's Democratic ward committeemen pledged their support. Ministers representing 250,000 parishioners urged him to make the race. Chicago's American, in an editorial entitled "Run Again, Mr. Daley," said: "We believe Mayor Daley has been the best Mayor Chicago ever had. Mr. Mayor, we ask you to give your city four more years."

SOUTHTOWN ECONOMIST JOINS IN PRAISE

The Southtown Economist, the Northside Lerner Newspapers, neighborhood publications of wide circulation and influence, joined in commending the city administration and urging Mayor Daley to be a candidate.

A non-partisan committee, Republicans and Democrats, enlisting top leaders of the business community, called upon the Mayor to continue. C. Virgil Martin, president of Carson Pirie Scott and Company, speaking for this group said: "As citizens who have a vital stake in the progress and future of Chicago, we are more than convinced that the interests of all Chicagoans will be served by the reelection of Mayor Daley."

Labor's support was pledged by the Chicago Federation of Labor and this encouragement was buttressed by the adoption of resolutions by locals throughout the city.

PRESIDENT JOHNSON'S DECISIONS ON THE FEDERAL RESERVE—CONCERNING REAPPOINTMENT OF WILLIAM McCHESNEY MARTIN AND FAILURE TO EXTEND TERM OF BOARD MEMBER SHEPARDSON

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. PATMAN. Mr. Speaker, during the Easter recess, President Johnson announced major decisions on the makeup of the Federal Reserve Board.

In one instance, he announced that he had reappointed William McChesney Martin to serve as Chairman of the Board until Martin's term expires in 1970. In a second announcement, the President let it be known that he would not grant a special waiver on the retirement of Federal Reserve Board Governor Charles N. Shepardson. This means that a vacancy will occur on the Board on April 30 when Mr. Shepardson retires.

Mr. Speaker, I made no secret of my opposition to William McChesney Martin. I was not in favor of his reappointment and my position remains unchanged.

Likewise, I opposed the continuation of the term of Mr. Shepardson and I applaud the President for his refusal to grant a special retirement waiver in this case. I hope now that the President will consider the new appointment with great care. It is an excellent opportunity for the President to name a man of his own choosing and one who will support monetary policies in the public interest.

Most important, we must move forward

now to gain broad and meaningful reform of our entire monetary system. We must have a system which is fully responsive to the people and their elected representatives. We must have a system that is coordinated with general economic policy and not one which feels free to thumb its nose at the programs and the policies of the President and the Congress.

This type of reform is more important than the individual personalities on the Federal Reserve Board. This is why I have introduced H.R. 11. This bill is designed to bring permanent reform to the Federal Reserve System so that we do not face crisis after crisis in our monetary policies. I hope my colleagues will give serious consideration to this measure.

In an excellent editorial in its Saturday, April 1, edition, the Washington Post clearly outlined the need for this type of reform. I place this editorial in the RECORD:

MR. MARTIN'S ENCORE

By reappointing Mr. William McChesney Martin to the chairmanship of the Federal Reserve Board for three more years, the President has probably minimized the risks in a politically dangerous situation. Keeping Mr. Martin at the helm of the monetary ship doubtless bolsters business confidence at a time when a recessionary storm may be brewing, even if most of the passengers would be hard put to explain just why their sense of security is enhanced. And by announcing that Governor Charles N. Shepardson will be required to resign in April, the President preserves the option of salvaging the outraged sensibilities of congressional populists with the appointment of a rural proponent of low interest rates. Unfortunately neither of these moves, assuming their political success, resolves the fundamental problems of monetary policy.

In nearly 53 years of trial, the Federal Reserve Board has yet to devise a consistent policy for promoting steady economic growth. Far from contributing to economic stability, as Congress hoped, the persistent errors of successive Boards have been a principal source of instability.

The Board's draconian policies of deflation, which resulted in a very sharp contraction of the money supply, contributed significantly to the severity of the great depression in the 1930's. Under Mr. Martin's aegis, an exaggerated and unfounded fear of inflation after 1957 led to restrictions on the growth of the monetary stock and the consequent stagnation of the economy for the next seven years. After 1964, the Board erred in the opposite direction by permitting the monetary stock to grow far too rapidly, and the mischief was compounded early in 1966 by a new resort to severe monetary restraint. Whether or not the Board's braking action will result in a "pause" or a full-blown recession remains to be seen.

Solutions to the problem of monetary instability are not to be found by changing the personnel of the Board and its professional staff; such changes rarely affect its substantive performance. What is needed is a thoroughgoing reformation. Congress, which has a constitutional responsibility for controlling the money stock, should formulate specific goals and clear rules for the conduct of monetary policy. And instead of delegating authority—without political responsibility—to Federal Reserve Board members who serve for 14 years, the power to formulate monetary policy should reside with the incumbent Administration. The much vaunted "independence" of the Federal Reserve Board results in the poor coordination of economic policy—and worse

still, a situation in which men who commit grave errors of judgment are immune to the only effective form of criticism.

Rather than haggle over whether the President made the right decision in reappointing Mr. Martin, Congress should concern itself with the urgent need for reshaping the creature which it entrusts with the conduct of monetary policy.

Mr. Speaker, I also place in the RECORD a copy of a statement which I issued following President Johnson's announcements on Federal Reserve appointments:

STATEMENT OF THE HONORABLE WRIGHT PATMAN, DEMOCRAT, OF TEXAS, ON THE REAPPOINTMENT OF WILLIAM MCCHESENEY MARTIN AS CHAIRMAN OF THE FEDERAL RESERVE BOARD, MARCH 30, 1967

I have made my position clear on the performance of Federal Reserve Board Chairman, William McChesney Martin. I could add nothing at this time that would make my opposition to Mr. Martin more emphatic. I regret that the President has seen fit to re-appoint him. In my opinion, it is a serious mistake which will cause this Administration much sorrow in future years. However, I accept the President's decision.

It is true that in recent weeks, Mr. Martin has moved to correct some of his mistakes by lowering interest rates and by making credit more available. He has discovered belatedly the errors of raising interest rates 37½% on December 6, 1965. Undoubtedly, President Johnson took Mr. Martin's recent actions into account in making the re-appointment. I am hopeful that in the future, the Federal Reserve Board Chairman will accept his responsibility to carry out the monetary policies of the Administration and the Congress.

Knowing President Johnson, I cannot help but feel that he received such assurances from Mr. Martin before deciding to re-appoint him. It should be remembered that President Johnson, throughout his long public career, has always supported the concept of low interest rates and fair allocation of credit to the people. I know that he continues to maintain this strong belief.

In any event, we must move forward from this point to do what we can to reform our entire monetary system and to insure lower interest rates and plentiful credit for everyone.

I am very pleased that the President has announced that he will not grant a special waiver to Federal Reserve Board Governor, Charles N. Shepardson. This means that Mr. Shepardson will be required to retire on April 30 and that a vacancy will occur on the seven-man Board. This will give the President an excellent opportunity to appoint a Governor of his own choosing and to indicate to the people of the United States that he is striving to bring lower interest rates. I hope the President will consider this new appointment with great care so that the tight money bias of the present Federal Reserve Board is not re-infused.

Mr. Shepardson was appointed by President Eisenhower and has been an unyielding supporter of high interest rates and restrictive credit. His departure will be cheered by all who favor lower interest rates. It is a most significant move by the President. Of course, I have long sought the retirement of Mr. Shepardson and I applaud the President on this decision.

Many people and organizations throughout this country have worked diligently to gain support for the replacement of both Mr. Martin and Mr. Shepardson. This support is essential in the fight for a better monetary policy and lower interest rates. I hope all of them will continue the fight. Eventually, we shall win this battle because I know it is in the public interest. There will be no letting up in my efforts to bring about monetary reform.

SUPREME COURT SUPPORTS ANTI-TRUST ENFORCEMENT FOR BANKS—THE COURT'S OPINION AND STATEMENT ON COURT'S ACTION

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. PATMAN. Mr. Speaker, last week the U.S. Supreme Court handed down a highly important decision in support of the Nation's antitrust laws.

The Court, in a unanimous decision, ruled that the Bank Merger Act of 1966 did not exempt the banking industry from the full force of the antitrust laws. This is a gratifying decision for all who believe that the wave of bank mergers across this country must be slowed.

For the past 2 years, the banking lobby has carried on a large-scale lobbying and propaganda campaign in an attempt to gain complete antitrust exemption for bank mergers. The Supreme Court's decision is a defeat for this lobby and a victory for the people.

The Supreme Court's opinion is fully in keeping with the 89th Congress' intent when the Bank Merger Act was passed. The Congress did not intend for the banks to escape from the jurisdiction of the antitrust laws and the Court has so concluded.

Mr. Speaker, I place in the RECORD a copy of the Supreme Court's decision of Monday, March 27, 1967. I also place in the RECORD a copy of a statement which I released concerning the Court's action:

SUPREME COURT OF THE UNITED STATES—Nos. 914 AND 972—OCTOBER TERM 1966

UNITED STATES, APPELLANT, 914 v. FIRST CITY NATIONAL BANK OF HOUSTON ET AL.

On Appeal From the U.S. District Court for the Southern District of Texas

UNITED STATES, APPELLANT, 972, v. PROVIDENT NATIONAL BANK ET AL.

On Appeal From the U.S. District Court for the Eastern District of Pennsylvania

[March 27, 1967]

MR. JUSTICE DOUGLAS delivered the opinion of the Court.

These civil suits were filed by the United States under § 7 of the Clayton Act, 38 Stat. 731, as amended, 64 Stat. 1125, 15 U.S.C. § 18, to prevent two bank mergers—one in Texas between the First City National Bank of Houston and the Southern National Bank of Houston, and one in Pennsylvania between the Provident National Bank and the Central Penn National Bank, both in Philadelphia.

The Comptroller approved the mergers under the Bank Merger Act of 1966, 80 Stat. 7, 12 U.S.C. § 1828(c). The United States thereupon brought these suits in the respective District Courts and the Comptroller intervened in them. The District Courts dismissed the complaints. — F. Supp. —; 262 F. Supp. 397. The United States appealed, 32 Stat. 823, as amended, 15 U.S.C. § 29, and we noted probable jurisdiction, — U.S. —, — U.S. —.

I

It is suggested that the complaints are defective in that they fail to state that the actions are brought under the Bank Merger Act of 1966, do not even mention the Act, and that, therefore, these cases should be

remanded to allow the Government to amend the complaints.

The Bank Merger Act of 1966 provides that "any action brought under the antitrust laws" shall be brought within a specified time (12 U.S.C. § 1828(c)(7)(A)); it also specifies the standards to be applied by a court in a judicial proceeding challenging a bank merger "on the ground that the merger . . . constituted a violation of any antitrust laws other than section 2 of [the Sherman Act]" (12 U.S.C. § 1828(c)(7)(B)); and it provides immunity from such an attack if those standards are met. Section 1828(c)(8) provides that, "for the purposes of Section [§ 1828(c)], the term 'antitrust laws' means . . . [the Sherman Act] . . . [the Clayton Act], and any other Acts in pari materi." Thus, an action challenging a bank merger on the ground of its anticompetitive effects is brought under the antitrust laws. Once an action is brought under the antitrust laws, the Bank Merger Act provides a new defense or justification to the merger's proponents—"that the anticompetitive effects of the proposed merger are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served." 12 U.S.C. § 1828(c)(5)(B). There is no indication that an action challenging a merger on the ground of its anticompetitive effects is bottomed on the Bank Merger Act rather than on the antitrust laws. What is apparent is that Congress intended that a defense or justification be available once it had been determined that a transaction would have anticompetitive effects, as judged by the standards normally applied in antitrust actions. Thus, the Government's failure to base the actions on the Bank Merger Act of 1966 does not constitute a defect in its pleadings. Nor is the Government's failure to mention the Bank Merger Act fatal, for, as we shall see, the offsetting community "convenience and needs," as specified in 12 U.S.C. § 1828(c)(5)(B), must be pleaded and proved by the defenders of the merger.

An application for approval of the Texas merger was made to the Comptroller of the Currency pursuant to 12 U.S.C. § 1828(c)(5)(B), which provides that he shall not approve the merger "whose effect in any section of the country may be substantially to lessen competition or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless [he] finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served." Requests were made of the Attorney General and the Federal Reserve System pursuant to 12 U.S.C. § 1828(c)(4) for their views and both submitted reports to the Comptroller that the merger would have serious anticompetitive effects. The Comptroller nonetheless approved it.

The same procedure was followed in the Pennsylvania case, and the Attorney General and Federal Reserve submitted adverse reports. Nonetheless the Comptroller approved this merger also. And, as we have said, these civil suits were instituted to enjoin them under § 7 of the Clayton Act.

Section 7 of the Clayton Act condemns mergers where "the effect of such acquisition may be substantially to lessen competition." The Bank Merger Act of 1966 did not change that standard. It, however, added innovations, not only in machinery for obtaining the prior approval of the Comptroller and a preliminary expression of views by the Attorney General and the Federal Reserve but also an additional standard for the Comptroller. Section 1828(c)(5)(B) says, as already noted, that no merger shall be approved where the effect "may be substantially to lessen competition" unless the responsible agency, in this case the Comp-

troller, "finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served." And that subsection goes on to say: "In every case, the responsible agency shall take into consideration the financial and managerial resources and future prospects of the existing and proposed institutions, and the convenience and needs of the community to be served."

Section 1828(c)(7)(B) provides that in a judicial proceeding attacking a merger on the ground that it violates the antitrust laws "the standards applied by the court shall be identical with" those the banking agencies must apply. And 12 U.S.C. § 1827(c)(7)(A) states that "In any such action, the court shall review *de novo* the issues presented." (Emphasis added.)

Section 1828(c)(7)(A) also provides that the commencement of an antitrust action in the courts "shall stay the effectiveness of the agency's approval unless the court shall otherwise specifically order."

It is around these new provisions of the 1966 Act and their interplay with § 7 of the Clayton Act that the present controversy turns.

First is the question whether the burden of proof is on the defendant banks to establish that an anticompetitive merger is within the exception of 12 U.S.C. § 1828(c)(5)(B) or whether it is on the Government. We think it plain that the banks carry the burden. That is the general rule where one claims the benefits of an exception to the prohibition of a statute. *Federal Trade Commission v. Morton Salt Co.*, 334 U.S. 37, 44-45. The House Report (No. 1221, 89th Cong., 2d Sess.) makes clear that antitrust standards were the norm and anticompetitive bank mergers, the exception: ". . . the bill acknowledges that the general principle of the antitrust laws—that substantially anticompetitive mergers are prohibited—applies to banks, but permits an exception in cases where it is clearly shown that a given merger is so beneficial to the convenience and needs of the community to be served . . . that it would be in the public interest to permit." (Emphasis added.) *Id.*, at 3-4.

The sponsor of the bill that was finally enacted, Congressman Patman, flatly stated: "It should be clearly noted that the burden of establishing such 'convenience and needs' is on the banks seeking to merge; and when we say clearly outweighed we mean outweighed by the preponderance of the evidence." CONGRESSIONAL RECORD, volume 112, part 1, pages 2441-2442.

We therefore disagree with the views of the lower courts to the contrary.

This problem is, of course, subtly merged with the question whether judicial review of the Comptroller's decision is in the category of other administrative rulings which are sustained unless a court is persuaded that the agency's action is clearly unsupported or not supported by substantial evidence, and the like.

The 1966 Act was the product of powerful contending forces, each of which in the aftermath claimed more of a victory than it deserved, leaving the controversy that finally abated in Congress to be finally resolved in the courts. So far as review of administrative agency action is concerned, we have only this to say. Prior to the 1966 Act administrative approval of bank mergers was necessary. Yet in an antitrust action later brought to enjoin them we never stopped to consider what weight, if any, the agency's determination should have in the antitrust case. See *United States v. Philadelphia National Bank*, 374 U.S. 321; *United States v. First National Bk. & Tr. Co.*, 376 U.S. 665. Traditionally in antitrust actions involving regulated industries, the courts have never given presumptive weight to a prior agency decision, for the simple reason that Congress put

such suits on a different axis than was familiar in administrative procedure. *United States v. Radio Corporation of America*, 358 U.S. 334; *United States v. El Paso Natural Gas Co.*, 376 U.S. 651; *United States v. Philadelphia National Bank*, *supra*; *United States v. First National Bk. & Tr. Co.*, *supra*. We have found no indication that Congress designed judicial review differently under the 1966 Act than had earlier obtained.

In fact, as already noted, "the standards applied by the court shall be identical with those that the banking agencies are directed to apply." 12 U.S.C. § 1828(c)(7)(B). This language does not express the conventional standard, e.g., whether the agency's action is supported by substantial evidence. In the latter instance it is the agency's function to determine whether the law has been violated, while it is the court's function to ascertain whether, absent error in statutory construction, the agency's action has substantial support in the evidence.

There is no indication that Congress took that course here. Indeed the 1966 Act provides that the court in an antitrust action "shall review *de novo* the issues presented." 12 U.S.C. § 1828(c)(7)(A). It is argued that the use of the word "review" rather than "trial" indicates a more limited scope to judicial action. The words "review" and "trial" might conceivably be used interchangeably. The critical words seem to us to be "*de novo*" and "issues presented." They mean to us that the court should make an independent determination of the issues. Congressman Patman, the Chairman of the House Committee that drafted the Act, in speaking of this *de novo* review said that the court would "completely and on its own make a determination as to whether the challenged bank merger should be approved under the standard set forth in paragraph 5(B) of the bill." He added that the "court is not to give any special weight to the determination of the bank supervisory agency on this issue." CONGRESSIONAL RECORD, volume 112, part 1, page 2442. Indeed the momentum of judicial precedents is in that direction. For immunity from antitrust laws "is not lightly implied." *California v. Federal Power Commission*, 369 U.S. 482, 485. And the grant of administrative power to give immunity unless the agency's decision is arbitrary, capricious, or unsupported by substantial evidence, would be a long step in that direction. Moreover, the Comptroller's action is informal, no hearings in the customary sense being held prior to the 1966 Act (*United States v. Philadelphia National Bank*; *supra*, at 351) and none being required by Congress in the 1966 Act. We would therefore have to assume that Congress made a revolutionary innovation by making administrative action well nigh conclusive, even though no hearing had been held and no record in the customary sense created.

The courts may find the Comptroller's reasons persuasive or well nigh conclusive. But it is the court's judgment, not the Comptroller's, that finally determines whether the merger is legal. That was the practice prior to the 1966 Act; and we cannot find a purpose on the part of Congress to change the rule. This conclusion does not raise serious constitutional questions by making the courts perform nonjudicial tasks. The "rule of reason," long prevalent in the antitrust field (see, e.g., *Chicago Board of Trade v. United States*, 246 U.S. 231) has been administered by the courts. A determination of the effect on competition within the meaning of § 7 of the Clayton Act is a familiar judicial task. The area of "the convenience and needs of the community to be served," now in focus as part of the defense under the 1966 Act, is related, though perhaps remotely, to the falling-company doctrine, long known to the courts in antitrust merger cases. *United States v. Diebold, Inc.*, 369 U.S. 654. The appraisal of competitive fac-

tors is grist for the antitrust mill. See, e.g., *United States v. Philadelphia National Bank*, *supra*, 357-367. The courts are not left at large as planning agencies. The effect on competition is the standard; and it is a familiar one.¹ If the anticompetitive effect is adverse, then it is to be excused only if "the convenience and needs of the community to be served" clearly outweigh it. We see no problems in bringing these standards into the area of judicial competence. There are no constitutional problems here not present in the "rule of reason" cases.

There is left only the stay issue. As we have seen, the 1966 Act provides that a timely antitrust action "shall stay the effectiveness of the agency's approval unless the court shall otherwise specifically order." 12 U.S.C. § 1828(c) (7) (A). The lower courts dissolved the statutory stays on dismissing the antitrust suits.

Our remand will direct that the stays continue until the hearings below are completed and any appeal is had. A stay of course is not mandatory under any and all circumstances. But absent a frivolous complaint by the United States, which we presume will be infrequent, a stay is essential until the judicial remedies have been exhausted. The caption of the 1966 Act states that it is designed "to establish a procedure for the review of proposed bank mergers so as to eliminate the necessity for the dissolution of merged banks." Moreover, bank mergers may not, absent emergency conditions, be consummated until 30 days after approval by the Comptroller in order to enable the Attorney General to commence an antitrust action, 12 U.S.C. § 1828(c) (6), which, apart from emergency situations, must be started within 30 days of the agency's approval, 12 U.S.C. § 1828(c) (7) (A). The legislative history is replete with references to the difficulty of unscrambling two or more banks after their merger.² The

¹ 12 U.S.C. § 1828(c) (B) (5) provides, as we have seen, that a merger shall not be approved "whose effect in any section of the country may be substantially to lessen competition." It is pointed out that that standard omits the phrase "in any line of commerce" which is present in § 7 of the Clayton Act. It is argued that Congress meant that commercial banking is no longer to be considered as the area of effective competition and that the Act establishes in banking "a market test measurable only by larger commercial realities."

We do not reach this question and we intimate no opinion on it nor any views on the merits of these mergers or on the justifications that are urged in their support. All questions except the procedural ones treated in the opinion are reserved.

² The Chairman of the Federal Reserve System testified in the hearings that preceded enactment of the Bank Merger Act of 1966 that "[a] Federal court order cannot recreate the two banks that formerly existed. . . . No matter how one may feel about whether the merger should have taken place in the first instance, there is no turning back. To unscramble the resulting bank clearly poses serious problems not only for the banks but for its customers and for the community." Hearings on S. 1698 and related bills before the Subcommittee on Domestic Finance of the House Committee on Banking and Currency, 89th Cong., 1st Sess., 11. The president of the American Bankers Association declared that "unmerging" a bank after the two banks have operated as a single unit is nightmarish even in the abstract." Hearings on S. 1698 before a Subcommittee of the Senate Committee on Banking and Currency, 89th Cong., 1st Sess., 63. Senator Robertson stated, "[y]ou are dealing with a physical impossibility," and "the community gets hurt," when divestiture is attempted in a bank merger case.

normal procedure therefore should be maintenance of the *status quo* until the antitrust litigation has run its course, lest consummation take place and the unscrambling process that Congress abhorred in the case of banks be necessary.

Reversed.

Mr. JUSTICE CLARK took no part in the consideration or decision of these cases.

STATEMENT OF REPRESENTATIVE WRIGHT PATMAN, DEMOCRAT, OF TEXAS, ON SUPREME COURT DECISION ON 1966 BANK MERGER ACT

I am gratified by the Supreme Court's unanimous decision upholding the Justice Department's right to challenge bank mergers.

The Supreme Court has rejected the theory of those who would grant the banking community favored treatment in the application of the antitrust laws.

The decision makes it clear that the full force of the antitrust laws do apply to banks and prevent any bank merger unless the banks can prove that the "convenience and needs" of the merger clearly outweigh the anticompetitive effects, the burden of proof is on the banks.

The decision also rejects the contention that the findings of the bank supervisory agencies are sacrosanct. Under this decision, the Justice Department will continue to have a full day in court in the trial of bank mergers, without having its hands tied by previous decisions of the banking agencies. The courts will continue to make independent judgments on bank mergers and will not be reduced to simply reviewing decisions of the banking agencies.

I am particularly pleased by the Court's view that, except under unusual circumstances, banks should not be allowed to merge until a final determination of an antitrust action is made by the courts.

Retention of the Justice Department's role in challenging bank mergers is an extremely important decision for those seeking a slowdown in the wave of mergers which has characterized developments in the banking field for the past several years. The fantastic increase in bank mergers threatens to make a mockery of so-called "competition" in the industry.

Concentration of power in the banking field threatens the availability of credit to everyone, including small businessmen, the farmer, the worker, and the average consumer. Mergers of banks inevitably feed concentration of economic power in other areas of the economy.

The continued role of the Justice Department as a public interest advocate in the consideration of bank mergers is highly important to every American citizen.

This is a happy day for all members of Congress who have sought to keep our antitrust laws intact and to prevent concentration of economic power in a few hands.

BIRTHDAY GREETINGS TO THE HONORABLE WAYNE ASPINALL

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

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

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, this is the 71st birthday of the Honor-

Id., at 4. Senator Proxmire spoke of "the agony and the inequity and the financial loss, disruption of the economy in the community of being required . . . to unscramble." *Id.*, at 202.

able WAYNE N. ASPINALL, the distinguished and beloved chairman of the great Committee on Interior and Insular Affairs, and congratulations and best wishes to our colleague so deep in our affection are the order of the day.

No one is held in greater esteem in the unincorporated territories, the trust territories and the former territories of Alaska and Hawaii than the able chairman of the Committee on Interior and Insular Affairs. In the Virgin Islands the new junior high school has been named in his honor, the Wayne N. Aspinall School. The University of Alaska has conferred upon him the honorary degree of doctor of laws. In Guam, in the trust territories and in the proud State of Hawaii, not long ago a territory under the jurisdiction of the Committee on Interior and Insular Affairs, his name and fame are known in every household and his place is exalted.

I came here with the class of the 81st Congress, and when WAYNE ASPINALL was the first of that class to attain the high position of chairman of a major committee of the House I, with my classmates, felt a touch of greatness by association.

Mr. Speaker, WAYNE ASPINALL is a towering son of Colorado and of America. In the Colorado House of Representatives he was the Speaker in 1937 and 1938. Elected to the Colorado Senate in 1939, 2 years later he was chosen by his democratic colleagues the majority leader. He served with valor in both World War I and World War II.

Again, our warmest congratulations and our every good wish for future happiness, health and accomplishment.

Mr. ALBERT. Mr. Speaker, will the distinguished gentleman from Illinois yield?

Mr. O'HARA of Illinois. I am delighted to yield to the distinguished majority leader.

Mr. ALBERT. Mr. Speaker, I join with the distinguished gentleman from Illinois [Mr. O'HARA] in his tribute to a Congressman who is a Congressman's Congressman and in his tribute to a chairman who is a chairman's chairman, one who enjoys the highest esteem of all Members of this body and one who is truly among the great chairmen of this body.

Mr. JOELSON. Mr. Speaker, will the distinguished gentleman from Illinois yield?

Mr. O'HARA of Illinois. Yes, I yield to the gentleman from New Jersey.

Mr. JOELSON. Mr. Speaker, I, too, share the admiration, respect, and esteem for the distinguished gentleman from Colorado [Mr. ASPINALL], the distinguished chairman of the Committee on Interior and Insular Affairs. However, I am disappointed—while looking at the distinguished chairman of the Committee on Interior and Insular Affairs—in that I feel the gentleman is not divulging to us his true age.

Mr. Speaker, I cannot believe that the distinguished gentleman from Colorado is 71 years of age.

Mr. O'HARA of Illinois. I, too, felt that the gentleman was about 51. However, I read the Congressional Directory and this appears to be correct. The gen-

tleman from Colorado [Mr. ASPINALL] is one of the brave and honest Members of the House who announce without shame or abashment the year of birth. According to the Congressional Directory the beloved chairman whom we salute today was born April 3 in the good year of 1896.

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

Mr. O'HARA of Illinois. I am delighted to yield to the distinguished gentleman from Nevada.

Mr. BARING. Mr. Speaker, I, too, join in expressing my personal congratulations and the congratulations of the great State of Nevada to the gentleman from Colorado [Mr. ASPINALL] on this, his birthday.

Mr. EDMONDSON. Mr. Speaker, it is a genuine pleasure to join in this birthday salute to a great colleague and a great American, the Honorable WAYNE ASPINALL of Colorado.

It is no exaggeration to state that WAYNE ASPINALL is one of this body's greatest legislators and parliamentarians. His record of legislative achievement as chairman of the Committee on Interior and Insular Affairs is a chronicle of progress and development for America, unexcelled by any committee chairman in this century. It has been a great privilege to serve with him in this House.

To Chairman ASPINALL, and to his lovely wife, Julia, go our family's heartfelt congratulations on this birthday occasion. May we join in saluting this great colleague on similar occasions for many, many years to come.

Mr. MATSUNAGA. Mr. Speaker, today, April 3, 1967, marks the birthday of one of our colleagues who has rendered invaluable service as a Member of Congress for a period of nearly 20 years.

He is held in the highest esteem by the people of Hawaii, whom I represent, and not without good reason. As the respected chairman of the Committee on Interior and Insular Affairs, the Honorable WAYNE N. ASPINALL provided the leadership which finally brought the Hawaii statehood bill to the floor of the House 8 years ago. To those who still harbored reservations about granting statehood to the Island territory in the Pacific, he advanced persuasive reasons and convinced many that an affirmative vote was the right one. As a consequence the Hawaii statehood bill was passed, and Hawaii remembers, and will never forget, the champion it found in this distinguished Congressman from Colorado.

His scholarship and depth of understanding have marked a public service career which spans half a century and covers all levels of government. He entered the teaching profession after graduating from college, and in 1920 became president of his local school board in Palisade, Colo. He then turned his talents to the study of law and, after being admitted to the Colorado bar in 1925, engaged in both the practice of law and the peach orchard industry.

After serving as Speaker in the Colorado House of Representatives in 1937 and 1938, he moved over to the Colorado Senate and continued to serve with distinction in his State legislature until his election to the 81st Congress.

He donned the uniform in both World War I and World War II, a fact which alone would indicate the type of American I seek to honor with these inadequate words.

He and Mrs. Aspinall raised a fine family of four children, three sons and a daughter. It is fitting at this time to note that his second son, the Honorable Owen S. Aspinall, is secretary of American Samoa, continuing the father's deep and unwavering interest in the government of American territories.

I join my colleagues in this birthday tribute to WAYNE ASPINALL, and I would especially like to add the thanks of the people of Hawaii, who wish him many more birthdays as a Member of this august body.

GENERAL LEAVE TO EXTEND

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent that all Members who desire to pay tribute to this great chairman of the Committee on Interior and Insular Affairs, the gentleman from Colorado [Mr. ASPINALL], have 5 legislative days in which to do so.

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

There was no objection.

ORAL ROBERTS UNIVERSITY IS DEDICATED AT TULSA

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. EDMONDSON. Mr. Speaker, it was my great privilege Sunday to be in Oklahoma at a ceremony where America's two best known evangelists joined in the cause of Christian education to dedicate a new university which is destined for greatness.

The occasion was the dedication of Oral Roberts University, in Tulsa, and the investiture of the internationally renowned evangelist, the Reverend Oral Roberts, as president of the university. The dedicatory speaker, who also conducted the ritual of dedication, was the incomparable Rev. Billy Graham.

Oral Roberts has worked all his life toward the goal of establishing a Christian university, and this goal is being realized in a most dramatic and wonderful way on a 450-acre campus in south Tulsa. Ground was broken for the first building in March 1962. That first building and seven impressive others have been completed, and a high-rise dormitory is under construction. Four other buildings are planned.

A university, however, is not buildings. It is philosophy and goals. This university has an inspiring stated philosophy. In part, it reads:

Oral Roberts University is philosophically committed to the promotion of total human excellence: spiritually, intellectually, physically, and socially in a Christian environment. . . .

The concept of the whole man which forms the philosophic base for the Univer-

sity, far from being new, antedates Socrates. What is unusual, however, about the concept as implemented at ORU is its balance. The whole is required; no juxtaposition of parts will do.

The university is now in its second academic year, and is proceeding effectively with application of this philosophy. Widespread approval of the university's concept is evident in the fact that many thousands of people attended the dedication, including authorized representatives from 128 other institutions of higher education and 23 learned societies, foundations, and associations.

Present on Sunday were representatives from every level of government, and from most of the Christian denominations, to help dedicate this new university.

Oral Roberts University is, without a doubt, destined for greatness. The presence of this university will be felt in our State and in the Nation, and its influence will be for good. I consider it a great privilege to have been present for its dedication.

EIGHTEEN-YEAR-OLD VOTE NOW FAVORED BY 64 PERCENT OF PUBLIC

Mr. HECHLER of West Virginia. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. HECHLER of West Virginia. Mr. Speaker, yesterday's press contained an article concerning the latest poll by the American Institute of Public Opinion on lowering the voting age to 18. It has been indicated now that 64 percent of the people in the Nation favor lowering the voting age to 18, whereas in 1939 only 17 percent of the people of the Nation held this view.

Mr. Speaker, I am very pleased, also, that our distinguished Speaker has personally indicated support for this proposal, and has authorized me to state publicly that he wholeheartedly favors lowering the voting age to 18.

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

Mr. HECHLER of West Virginia. I gladly yield to the gentleman from Kentucky.

Mr. COWGER. Mr. Speaker, I thank the gentleman from West Virginia for yielding. I wish to state that in Kentucky we have had 18-year-olds voting for about 6 years now, and it has been highly successful and approved by the public in our State.

Mr. HECHLER of West Virginia. Mr. Speaker, I thank the gentleman from the neighboring State of Kentucky for his remarks. I trust that progress may be made toward adopting a constitutional amendment to lower the voting age to 18.

Mr. Speaker, I ask unanimous consent to include this article with my remarks.

The SPEAKER. Without objection it is so ordered.

There was no objection.

The article referred to follows:

VOTE AT 18 NOW FAVORED BY 64 PERCENT
OF PUBLIC

(By George Gallup)

PRINCETON, N.J., April 1.—Public support for lowering the voting age requirement to 18 has reached an all-time high.

Nearly two adults in every three (64 per cent) think persons 18, 19 and 20 years old should be permitted to vote; only 17 per cent held this view in 1939 when the first national Gallup survey on this issue was conducted.

During periods of war the proportion of persons in favor of lowering the voting age has increased, undoubtedly under the assumption that if a person is "old enough to fight, he's old enough to vote."

Four states now permit persons under the age of 21 to vote—Georgia, Kentucky, Alaska and Hawaii.

The Nation's adults are clearly in favor of lowering the voting age, but strangely enough, no eagerness has been manifest by young people themselves.

A survey conducted by the *Purdue Opinion Panel* in the fall of 1964 among high school students found only 32 per cent in favor of lowering the voting age to 18.

One of the interesting sidelights on today's report is that the group presently denied the vote has a higher average level of schooling than any other age group in the population. The overwhelming majority of persons in the 18-20 age group have been graduated from high school and a sizable proportion are now enrolled in college.

The Democratic party is currently pushing hard for lowering the voting age—and for good reason. If 18-, 19-, and 20-year-olds are enfranchised, it would change the present political balance and give the Democrats an even greater advantage than they enjoy today in terms of party allegiance.

Democrats among high school students outnumber Republicans by nearly 2-to-1.

The Democratic party also has a clear edge over the GOP among college students, 35 to 26 per cent. Republicans, however, can take encouragement from the fact that nearly four in ten are presently uncommitted.

Although the enfranchisement of persons under 21 would greatly swell the ranks of the Democrats, this advantage would in part be offset by the fact that voting participation is lower among the younger age levels of the voting population. The highest levels of participation are found among persons 40 years of age and older.

Mr. OLSEN. Mr. Speaker, will the gentleman from West Virginia yield?

Mr. HECHLER of West Virginia. I yield to my good friend, the gentleman from Montana.

Mr. OLSEN. Mr. Speaker, I wish to join in the remarks of the gentleman from West Virginia. Having had a direct interest in this legislation, I wholeheartedly support the 18-year-old vote, and I trust that this measure will be successful this year.

Mr. HECHLER of West Virginia. Mr. Speaker, I thank the gentleman from Montana for his remarks. It is evident that strong and growing support for lowering the voting age is present in all sections of the Nation. I hope that hearings may be held on the constitutional amendment embodying this proposal.

THE 50TH ANNIVERSARY OF THE
FEDERAL LAND BANKS AND FARM
CREDIT SYSTEM

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection

to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BOLAND. Mr. Speaker, today we are observing the golden anniversary of the Federal land banks and farm credit system, established in 1917. This system has played a vital part in raising America's agriculture to its present level of capability.

Members of the Federal Farm Credit Board, and the boards of directors of the 12 farm credit districts, are now meeting in Washington, to mark the 50 years of achievements, both by the farmers and by the Federal land banks and associations, in the years since the chartering of the land banks was completed on April 3, 1917.

Mr. Speaker, I have the distinct honor of representing a district in Congress where one of the banks is located, the Federal Land Bank of Springfield, Mass., which was actually chartered on March 16, 1917. Since that time, it has occupied a unique position as a provider of long-term credit to farmers in the eight-State area that comprises the First Farm Credit District, including Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York and New Jersey.

Dealing with the diversified agriculture that includes such major enterprises as dairying, poultry, apples, potatoes, as well as such specialties as tobacco, market and canning vegetables, the Springfield bank, solely owned by the farmers it has served, has increased in stature to a point that, as of December 31, 1966, it had a record \$156.4 million in loans outstanding. At the end of 1966, 23 land bank associations were serving approximately 15,000 farmers in the northeast. Through these cooperatives, a new record volume of \$30.1 million of loans were made, \$18.7 million of which went to farmers who were new to the bank. The Federal Land Bank of Springfield finished 1966 with a net worth of \$24 million total, representing an increase of \$1.3 million during the year.

The Springfield bank has been a pioneer in many improvements in credit service to farmers. Perhaps the most unique is the development in cooperation with the production credit associations, of one-stop credit service to farmers. Farmers in the eight-State area can do all of their credit business through one office, which not only saves them time but, more important, gives them the benefit of an overall review of all of the factors affecting their credit ability. In truth, the bank has come a long way in its 50 years of existence, and its golden anniversary is proof positive that the confidence President Woodrow Wilson had in the farm credit system is fully justified.

Mr. Speaker, the president of the Federal Land Bank of Springfield, Mr. Gordon Cameron, looking ahead to the years to come, said on the occasion of the Springfield bank's anniversary:

I think, that with farming becoming more complex, and capital needs more demanding, the specialized skills of the bank will be one of the most important agricultural resources of the future.

And toward that end, the Federal Land Bank of Springfield will continue to serve, tomorrow as it did yesterday, farmers in the northeast who are among those to whom the land bank system's golden anniversary is dedicated—"America's farmers, providers of plenty."

I extend my congratulations to all of those who have made the system such an important part of our economy. I also express the gratitude of the farmers of the northeast to the president of the Federal Land Bank of Springfield, Mass., and to his dedicated staff for their magnificent dedication and service.

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

Mr. BOLAND. I yield to the gentleman.

Mr. BOGGS. Mr. Speaker, I commend the gentleman for his fine statement and wish to associate myself with him.

Mr. Speaker, the farmers and ranchers of our great country, particularly in the past half century, have made extensive contributions to the growth and ever-increasing standard of living enjoyed by most of the citizens of our Nation.

On the occasion of this memorable 50th anniversary of the establishment of the Federal land bank system, I am pleased to take part in this tribute, led by our colleague, BOB DOLE of Kansas. The land bank system has displayed pioneering leadership over the past 50 years in providing the all-important financing for our farmers and ranchers so that they could attain financial independence.

I am proud of the part which the Democratic Members of the House have played in framing legislation which has created the whole farm credit system, and in strengthening its farmer-ownership control. The passage of the Federal Farm Loan Act in 1916 laid the foundations for the agricultural revolution which has occurred in our country in the past half century. It made vitally-needed credit, on reasonable terms, available to our farmers and ranchers, and thus permitted them to prosper as they have in recent years particularly.

Of great importance, too, Mr. Speaker, is the fact, as President Johnson noted in a letter last year to Gov. Robert B. Tootell of the Farm Credit Administration, that—

The Farm Credit Administration operates at no expense to the taxpayers. Its activities are financed by earnings of the (twelve) banks it supervises. Hence, the Farm Credit System constitutes a unique partnership of farmers, the financial investment community and the Government, based on the best traditions of our democratic society and dedicated to agricultural progress.

I am very pleased that one of the 12 Federal land banks in the system is located in my home city of New Orleans. This bank, under the able direction of President John L. Ryan, serves farmers and cooperatives in the States of Louisiana, Mississippi, and Alabama. I would like to pay tribute on this occasion to my State's member of the Federal Farm Credit Board, Mr. R. Watkins Greene, of Abbeville, for his able and dedicated service.

One of the leaders of agricultural ad-

vancement in my State of Louisiana for many years is Mr. F. A. Graugnard, Jr., of St. James Parish, and I also would like to commend him for his good works to advance agriculture in my State and for his recent election as chairman of the farm credit board of the Farm Credit Bank of New Orleans.

Through the years, Mr. Speaker, the Congress has demonstrated many times its confidence that the American farmer is capable and willing to own and to run his own credit system. The establishment of the Federal land bank system has made the farmer's independence a reality, and our farmers have proved that our faith in them is well deserved. It is with great pleasure that I join with my colleagues in the House today in this well deserved 50th anniversary salute to the officials of the Federal land bank system for their unswerving dedication to the farmers of our Nation.

CONCERN ABOUT FUTURE OF OUR POST OFFICE SYSTEM

Mr. UDALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

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

There was no objection.

Mr. UDALL. Mr. Speaker, as a member of the Committee on Post Office and Civil Service I have been increasingly concerned about the future of our post office system. A whole series of recent magazine articles have raised serious and fundamental questions about the ability of any Postmaster General to meet the flood of mail and the flood of problems facing this huge department.

Everyone agrees that the management of the Department's business needs revision and improvement. The present jerry-built structure is a morass of conflicting powers and responsibilities. One trying to operate it has to face these facts:

He has no control over his workload. It is determined by millions of individual mailers.

He has no control over the rates charged for his services. The amount of revenue is determined by congressional action on rates, all determined in a setting where powerful pressure groups operate to protect their own interests.

He has no control over pay rates for his employees, nor any control over working conditions, overtime, and all the rest. These are also fixed by a Congress under increasing political pressures.

He has virtually no control over the buildings, equipment, and other facilities required.

He has little control over the transportation facilities available to move 80 billion pieces of mail.

He is controlled in large part by four separate congressional committees.

Yet the Congress and the people of the country tend to blame the Postmaster General when things go wrong.

Mr. Speaker, this is an impossible situation, and Postmaster General O'Brien has today given us a bold proposal to

meet it. In a speech delivered today he has made a far-reaching suggestion, which I am inclined to support. I ask unanimous consent that that address be printed at the conclusion of my remarks.

A lot of eyebrows were raised when President Johnson appointed Larry O'Brien as Postmaster General. It was said that for all his accomplishments, he was not qualified by background or training to run a business enterprise as big as the U.S. Post Office Department.

In recent months there has been a rash of stories about the postal service. Almost all of these stories agreed on at least two points. The first point of agreement was that the Post Office is in trouble because it is technologically outdated. The second point of agreement was that although he has only been on the job about 17 months Larry O'Brien already has proved himself one of the great Postmasters General in our history.

If there were any doubt about the accuracy of that assessment, it should be ended by Postmaster General O'Brien's proposal to make sweeping changes in the way our postal service is set up. It took courage and vision to make this recommendation, a recommendation I fully support.

The proposal made by Postmaster General O'Brien envisions a postal service that—

Would cease to be part of the President's Cabinet;

Would become a nonprofit Government corporation, rendering essential public service;

Would provide postal services authorized by the Congress;

Would be operated by a board of directors, appointed by the President, and confirmed by the Congress;

Would be managed by a professional executive appointed by the board;

Would be given a clear mandate on the percentage of cost coverage for postal services, so that further revisions in rates—should they be necessary—would be made on a fixed formula basis.

While I reserve my final decision pending further study and while many details remain to be worked out, the basic concept of this plan offers a postal system that would be responsive to the needs of the Nation. No matter how hard our postal managers and postal employees try, the present system is no longer able to cope with the tremendous volumes of mail generated by our space age economy.

The best we can hope for the present setup is a holding action—a holding action doomed to inevitable collapse as the pressure builds up. Postmaster General O'Brien recognized this. And he decided to meet the challenge head on and seek a permanent solution. We in Congress should do likewise.

Mr. O'Brien's address before the Magazine Publishers Association follows:

A NEW DESIGN FOR THE POSTAL SERVICE
(Address by Postmaster General Lawrence F. O'Brien before the Magazine Publishers Association and the American Society of Magazine Editors, Washington, D.C., April 3, 1967)

It is indeed a pleasure to be with you here today and to bring you the greetings of President Johnson.

You, collectively, form one of our greatest customers.

And we, the U.S. Post Office Department, form your greatest channel of distribution.

Certainly, there is a partnership of mutual interest and long concern existing between us, a fact reflected in the splendid cooperation given by MPA members to the Postal Service by donating valuable space as a public service to ZIP Code advertisements. My friends, I want to state again my thanks and appreciation for this voluntary and important effort.

The partnership that exists between us is also accorded unique recognition in the Postal Policy Act of 1958.

For the Act recognized that publishing, and the distribution of publications, form not just another business, but a national resource that has yielded enormous benefit to the nation throughout its history, and will continue, I am sure, to yield enormous benefit in the years to come.

It is a truism to recall the great diversity of this splendid country of ours—diversity in geography, in climate, in farm and industry, in race, in national origin.

We are so diverse that only extraordinary means could have held us together when so many forces seemed designed to tear us apart. There are a number of reasons why the United States did not become the dis-United States, and why we did not evolve into a North American Balkans.

There are many factors that combined and unified America. The process was carried on silently, almost in secret, underneath the temporary upheavals in our history. It moved by a chain of paper that transported the elements of Americanism through thousands of miles, across mountains and desert, from city to frontier, a chain stretching into every clearing and valley. This link consisted of the postal service and the publications—magazines and newspapers—that provided a common store of images, of heroes, of folklore, of truth, and of inspiration and ideals.

The American magazine industry has been a powerful force in the making of America, and of making America better, and I salute you and your industry which we strive to serve.

Occasionally I receive some slight indication that our effort to serve is meeting with success. Just a few days ago I received a letter from a patron in North Dakota, telling me of improved mail delivery. She said, "You just don't know how much prompt mail service means to my husband since he lost his mind."

I'm sure she wasn't referring to the delivery of magazines.

I notice there are an increasing number of magazine articles that deal with problems of the future of the postal service. I don't know whether this is because the present and the past are so dismal, but there is a noticeable trend, nonetheless.

Of course, the future has always fascinated man. And I suppose publishers have found . . . if I can sound TIMELY . . . that there are profits in being prophets.

But I'm afraid even the most optimistic prophets can't see much brightness in our future. Fortune tells us in bold capital letters that "Time is running out"—I wonder if the editor let that one slip by or if it's a subliminal hint to renew a sister publication—"Time is running out," the Fortune headline reads, "and trouble is spreading." "It's Now Or Never For The Post Office." The Saturday Review tells us of "The Day the Mails Stopped." Newsweek tells "How to Float on a Sea of Red Ink." "What's the Matter With the Mails?" the Reporter asks plaintively. "What Ails the Post Office?" Nation wants to know. Reader's Digest finds a "Crisis in the Post Office." U.S. News and World Report gives me some company by reminding us of "A Question the World Over: 'What's Wrong With the Mails?'" and in its April 3rd issue it asks, "Can Anything be Done About U.S. Mail Service?"

And so it goes. I apologize for those I've missed.

After reading some of those articles, I am reminded of the confused lady in Fresno whose car rolled smashing down the street after she got out to mail a letter. "Didn't you set the emergency brake?" asked the judge. "Emergency brake?" she said surprised. "I didn't know mailing a letter was an emergency."

Well, despite the many problems we face, it still isn't an emergency—yet. In fact, if I may refer back to the April issue of U. S. News, I think there is something that can be done about the U. S. mail service. That something is to change the prescription we've been using to combat hardening of the postal arteries, and our chronic case of pernicious deficit. I believe another prescription is needed. In fact, I have given the nature of this prescription considerable—and increasing—thought since I became Postmaster General 17 months ago today.

We have made extensive progress in our effort to improve service. In fact, we have even taken some of the steps that you have been urging on us for years.

Though I am proud of what has been accomplished, the speed of our advance reminds me of the nature of battle in World War One. For every inch that we advance through shellhole, sticky mud, and poison gas, it is necessary to undertake a tremendous barrage, and expend whole divisions of energy and good will. Victories are measured in inches.

The reason for this painful and difficult progress is rooted not merely in volume, but more in the restrictive jungle of legislation and custom that has grown up around the Post Office Department in the 138 years since it joined Andrew Jackson's Cabinet.

In 1829, the Post Office Department was one of the principal policy arms of the Federal Government. During our history, we were the channel through which Federal assistance was provided to roadbuilding, the newly developed steamship, and the infant railroad and airline industries. It was important and necessary and right that there be a strong link between the postal service and the highest policy-making levels in the Executive Branch of our government. But those needs of the past no longer exist.

Since Andrew Jackson's time there have been more changes in the way people live and the way people think than had taken place in the previous thousand years. If the postal service had remained what it was in 1829, the situation would be a difficult one. But the truth, my friends, is that we are less able to meet changing needs today than was Amos Kendall, Jackson's Postmaster General, or Montgomery Blair, Lincoln's Postmaster General.

All institutions have a life of their own, and they either grow or die. Sometimes, like the dinosaur, they grow in ways that are harmful, they grow in self-destructive ways.

I think that is the path that has been taken by the postal service.

I have concluded that there are so many existing and formidable barriers to efficient management that the ultimate solution to the problems of the postal service lies in taking the Department out of its present context entirely.

I think the effort to patch a fabric so full of holes is yielding diminishing returns.

Let me cite just one example: In 1951, a parcel post law was passed which proved unworkable. During the period from 1951 to 1966, when the Parcel Post Reform Law was passed, there were close to 2 million words of testimony, from 244 witnesses. In addition, there were whole forests consumed for the amount of paper required for newspaper and magazine coverage of the issue. There were another 4 million words involved in exchanges over this matter with the Interstate Commerce Commission, and in debate in the Houses of Congress. For each page

of testimony countless hours of research and preparation were required. The time of many talented people, on both sides of the issue, was consumed as quickly as cellophane in a bonfire.

And, as you are keenly and perhaps painfully aware, we are now engaged in requesting a rate increase, a task that will certainly place heavy burdens on already overburdened members of Congress.

If we ran our telephone system in this way, the carrier pigeon business would still have a great future, and I would sell my shares of AT&T—if I had any.

If we sought to build an atomic bomb in this way, we'd still be surveying sites in Tennessee, Washington, and New Mexico—or arguing about whether we should survey the sites.

Ladies and Gentlemen, the Post Office Department, as presently constituted, reminds me of the classic definition of an elephant—a mouse built to government specifications.

Recently I was asked a basic question about the organization of the Postal Service by the perceptive Chairman of the House Appropriations Subcommittee, Representative Tom Steed of Oklahoma.

Chairman Steed asked, "General . . . would this be a fair summary: that at the present time as the manager of the Post Office Department, you have no control over your work load, you have no control over the rates of revenue that you are able to bring in, you have no control over the pay rates of the employees that you employ, you have very little control over the conditions of the service of these employees, you have virtually no control, by the nature of it, of the physical facilities that you are forced to use, and you have only a limited control at best over the transportation facilities that you are compelled to use . . . ?" And then he added, this is ". . . a staggering amount of 'no control' in terms of the duties you have to perform."

I agreed with Chairman Steed. My area of "no control" is almost unlimited.

This is a situation that has grown up over such a long period of time and has such a strong tradition, that the only effective action I foresee is sweeping it away entirely.

And at this point permit me to say loud and clear that I am not focusing any criticism on Congress for the manner in which the Postal Service is organized. Our organization is the product of evolution, and I think any candid assessment of the record will show that whenever real progress has been made during that evolutionary process, Congressional prodding has had much to do with it. For example, I recently received a strong prod myself from the Chairman of the Senate Post Office and Civil Service Committee—Senator Mike Monroney—concerning greater use of airlift for first class mail. So when we have moved down more enlightened paths, it has quite often been as a result of Congressional "marching orders."

The question is whether so much prodding would have been necessary if the managers of the postal service were themselves clearly and fully responsible for the Department's record.

As you know, I had some experience in the legislative area prior to becoming Postmaster General and I want to say that since taking on this job I have had the fullest cooperation from the Chairmen and members of our legislative and appropriations Committees. Senator Monroney, Chairman Steed, Chairman Dulski and their colleagues have at all times displayed the most intense interest in postal progress. They have often initiated and always supported our efforts to modernize, mechanize and plan for the future.

The conclusion I have reached has fully taken into account this meaningful partnership between the Executive Branch and the Congress. The partnership is meaningful, the relationships are excellent but together

we occupy a vehicle no longer able to respond to the demands of the times.

Indifference, inflexibility, timidity are tenacious molds that grow in areas shaded by diffused responsibility. When *everybody* is responsible, as you well know from your own business operations, *nobody* is responsible.

If there is one lesson I have learned from many years in public service it is that when you give a man responsibility and hold him to it—then, and only then, do you get results.

A lifetime in politics has also helped me appreciate the value of compromise. But there are times when compromise is simply not possible. It's difficult to find grounds for compromise between a girl who wants a big church wedding and a boy who wants to break his engagement. And it's difficult to find a compromise between superlative service and cumbersome organization.

Shortly after I became Postmaster General I assigned the best talent I could find to a Task Force to study this problem. I have recently seen the results of the study made by this group. Their conclusions and my own are parallel.

And therefore I propose to you today that the postal service—

Should cease to be a part of the President's Cabinet;

Should become a nonprofit government corporation, rendering essential public service;

Should provide postal services authorized by the Congress;

Should be operated by a board of directors, appointed by the President, and confirmed by the Congress;

Should be managed by a professional executive appointed by the board;

Should be given a clear mandate on the percentage of cost coverage for postal services, so that further revisions in rates—should they be necessary—would be made on a fixed formula basis.

And in addition, management and employees alike should be paid according to standards of comparable industries; and employees should be offered more incentive and scope as well as a wider area for collective bargaining.

Further, other steps should be taken to assure that the postal service reflects fully the genius of American management and industrial skills.

Through the establishment of a government corporation we would avoid the many statutory restrictions on appropriated funds which now exist. For example, the corporation would issue bonds to provide a capital fund with which to build appropriately designed and well equipped post office structures, which could also be self-amortizing through rental income.

I can report to you that I have made a general recommendation of this nature to the President, and he feels it worthy of intensive study. And in case there is any doubt, I want to state that while I am advocating the abolition of my own job, I would not under any circumstances take an executive position in the government corporation I am proposing.

During recent months a number of proposals have been made in the Congress to alter some aspects of the postal service. While all are well intentioned, they are only props for the tottering structure we now inhabit so uneasily.

I believe the time for props is past. I think we must stop tinkering and begin constructing.

The Constitution of the United States makes no mention of supporting farm prices, regulating the purity of food and drugs, the reclamation of arid land . . . but it does contain a mandate for Congress to establish post offices and post roads. The Founding Fathers understood clearly that, aside from the common defense, there are few services as important to a farflung nation than a postal

service with the qualities of safety, certainty, celerity and economy. The United States is perhaps the most ingenious nation in the history of the world. I think it is about time that we devote considerably more of that ingenuity to the vital area of postal communications.

It is about time, because the volume that already threatens catastrophe is only the shadow of events to come.

We are close to the 200 million mark in our population.

Our gross national product approaches \$760 billion.

We are in the 74th month of unbroken and unprecedented economic expansion.

Our index of industrial production is 155 per cent of what it was back in 1957 to 1959.

Personal income rose to \$610 billion a year as of February.

We are better educated than ever before. The average number of school years completed per citizen is at an all-time high of 11.8. More Americans are going to school than ever before. And the Federal, State and local governments are pouring almost \$30 billion into education, more than twice the entire national income of Spain and 70 per cent of the entire income of Italy.

In short, the United States right now has more people earning and learning than ever before.

What does this mean for the Postal Service? Simply that we are the mirror of this affluence, this rising standard of living and learning.

And, I might add, mail volume is growing faster than our population. For each year, despite the growth in telephone, teletype, and other electronic traffic, there is a rise in the per capita number of letters sent by the American people. When I came to the Post Office Department the rate was one piece of mail per day for every man, woman and child: 365 pieces a year. Now we are anticipating a figure of 415 pieces of mail a year for every American.

Ladies and Gentlemen, some observers seem to view the Post Office Department as a kind of sponge that can absorb any amount, any increase, in mail. I am afraid the sponge is full.

We simply can't go on as we have been.

A number of magazine articles I cited earlier arrived at conclusions similar to that of *Fortune*: "... unless something is done soon to reform the service, the postal system is headed for an impossible situation."

The article commends the steps we have taken, such as accelerating our mechanization and modernization program; according new status to our research effort by upgrading it to the Assistant Postmaster General level and attracting to it many highly qualified engineers and scientists; setting up an Office of Planning and Systems Analysis so that resources may be employed in the right place, the right time, with the right emphasis; and providing for the most extensive electronic source data network in the world.

We have taken these steps, and we plan to take still others in the future. For example, on top of our \$100 million accelerated mechanization and modernization program, we are asking the Congress for an additional sum of \$300 million for the coming year—a sum already approved by the House of Representatives. But though meaningful progress has been and is being made—we still pull behind us the anchor of organization long ago surpassed by the general advance of our country.

I have, today, given you my proposals on how we can move into the main stream of progress. I know my proposal is far-reaching; in fact, it has to be the most extensive proposal ever made in the history of the American postal service. But, I am firmly convinced, this is the only way to achieve the superlative postal service President Johnson has mandated, postal service worthy

of the American Standard. And, I would like to ask you to cooperate with us, as you have so often in the past. A departure from tradition such as I propose requires public understanding and public support. There is no better vehicle for the creation of understanding and support than the powerful instrument of the American magazine industry. So, in closing, I ask for your help in bringing home to the people of this country the need for, and the nature of, the proposals I have made today.

President Johnson often recalls a statement once made by John F. Kennedy—that happiness lies in full use of your powers along lines of excellence. I think through the changes I suggest, we can build a postal service that uses, fully, its resources along lines of excellence, a result that, at long last, should make the American people happy with mail service.

GREEK INDEPENDENCE DAY

Mr. BURKE of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

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

There was no objection.

Mr. BURKE of Massachusetts. Mr. Speaker, the celebration of independence days are of profound significance among all nations, but the celebration of the 146th anniversary of Greek Independence Day is of especial significance for numerous reasons. The Greek people were the first to place a very high premium on independence and freedom; they were in a sense the first to appreciate the real meaning of freedom. They proved to the world that they preferred to fight for the preservation of their independence rather than submit willingly to their conquering foes. In the second place, when they were forced to submit to alien tyrants, they proudly maintained their spiritual independence for centuries. And finally, in 1821, when they saw a chance of regaining their freedom and national independence, they staged a national revolt which in the course of many years of hard and bloody fighting, led to the birth of today's Greece.

From the day Archbishop Germanos of Patras raised the standard of the cross over his monastic establishment in 1821 we on this side of the Atlantic followed the course of dramatic events in Greece with heartfelt sympathy and intense interest. There never was then, and let us hope that there may never be, any doubt as to where our wholehearted sympathy and national interest lay when the freedom-loving Greeks were pitted against foreign oppressors and totalitarian tyrants. Long before their war of independence we were fully conscious of our debt to Greece, the true cradle of western civilization, and have always regarded the Greeks as our distant cultural forebears. When we attained our independence, the unhappy Greeks were suffering under ruthless oppressors in their homeland. And when we heard the news of their revolt against the Turks, it was only natural for us to hope and pray for their success. At the time many philhellenic groups were formed in this country with the sole aim of aiding the

brave Greeks in every way possible and much aid was given to them. And in the end when Greek independence was an accomplished fact, we all were overjoyed.

That same spirit of cordial friendship and mutual aid has persisted in our people since then. During and after the last two World Wars we did our very best to save Greece from the ravages of wars and from the clutches of totalitarian tyranny, and have worked hard in helping to maintain their hard-won, richly deserved independence. In doing this we have also gained a worthy ally in our relentless fight against Communist tyranny. We have, since the end of the last war, poured millions of dollars into Greece; we have done this willingly, and fortunately we feel that not 1 cent of that stupendous sum was in vain, for they have made good use of our aid, are fully appreciative of it, and we are glad to have been able to help them to the extent we did. The Greeks have not only been a freedom-loving and gallant people; they have also been daring adventurers, and as a seafaring people they have been great merchants and tradesmen. In search of freedom as well as for free opportunities, they have been great globetrotters. As such they have flocked to this side of the Atlantic, and today there are close to three-quarters of a million sturdy, hard-working, loyal and law-abiding Greek-Americans in this great Republic. Greek immigrants began to arrive here more than 300 years ago, though their number did not attain a large percentage of incoming people until late in the last century, attaining its peak during the 1920's.

Here they have settled in many metropolitan areas and great commercial centers, and they have been a boon to the business-trade life of many communities. From very modest beginnings they have progressively moved up and have prospered. Nor have they been laggards in other fields of activity—in the arts and artistic performance, in literature and science. In their chosen fields they have distinguished themselves. Through their industry and ingenuity, through their great gifts and talents, Greek-Americans have contributed significantly to our civilization, to our American way of life. Over and above their material and cultural contributions, I should emphasize their wholehearted devotion to our democratic institutions and their readiness to make the ultimate sacrifice for the maintenance of these institutions. Bearing all these in mind, and always aware of our spiritual indebtedness to Greek genius, I am indeed happy to join all my loyal, patriotic, and dedicated Greek-American friends on the anniversary observance of Greek Independence Day.

LEGISLATIVE REORGANIZATION ACT

Mr. BARING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

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

There was no objection.

Mr. BARING. Mr. Speaker, tomorrow morning the House Rules Committee will commence hearings on the Legislative Reorganization Act. There is one section in the proposed bill, and, small though that section may be, it should certainly be of vital interest to this body. I am referring to section 333: abolishment of the office and position of the Coordinator of Information of the House of Representatives.

The bill proposes to transfer this department to the Legislative Research Service of the Library of Congress. This was readily accepted in the other body. Now, I do not think our good friends in the other body should tell the House what to do. And the Office of the Coordinator is a House function.

I am sure many of you at one time or another have used the Office of the Coordinator and have found the service above reproach. The Office is ever willing to serve us, and it has kept many of us advised of certain trends or legislation coming up. It offers a warm and personal service, something we will not get if we allow the Office to be transferred to the Library of Congress.

I understand that by making the transfer that, instead of having our personal attention that we now receive, we would soon be dealing with computers. Now these computers would undoubtedly be of help in obtaining long-range information we might desire. It would not be of help for short-range information. I have nothing against computers, but I prefer talking to human beings in expressing my thanks for service rather than to some cold, electrical machine that spins wheels, flashes lights, and buzzes before belching out the answer to me. The computerized world is going to get us fast enough without rushing matters.

The Office of the Coordinator of Information of the House of Representatives was created by the 80th Congress and came into being on May 2, 1947. It started out with 10 staff members, and—wonder of wonders—it still has a staff of 10. Show me any other governmental branch that has not multiplied tenfold, yes, even 100 fold in 20 years. And it is the least expensive of any governmental body serving our needs.

And, unlike other governmental services that issue reams and reams of publicity, the only publication by the Office of the Coordinator is "major legislative actions," which is supplied to Members of the Congress. It traces the step-by-step advance of the more important bills.

For the benefit of the newer Members, the duty of the Office of the Coordinator of Information of the House of Representatives is to answer any question put to it by a Member of Congress or his staff. They do this by either a direct factual answer or by reference to a recognized authority. And answers to your questions are supplied within the day. It does not compete with the Library of Congress; thus there is no duplication of service. It is nonpolitical in its work, and during the 20 years of operation, it has enjoyed the utmost cooperation with executive departments and with private information sources.

From June 2, 1947, to January 31, 1967, the office has answered more than 225,000 inquiries from Members and their staffs. Over this period, the office has served 1,324 Members of the House—regardless of the number of requests from each—and 202 Senators—also regardless of the number of requests from each.

If we allow our House office, the Office of the Coordinator of Information, to be taken over by the Library of Congress, I am willing to say that we will not receive the same personal attention. The Library of Congress serves the other body first, the House second.

CASH LEFT IN FUND OF UPO COUNCIL

Mr. CEDERBERG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

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

There was no objection.

Mr. CEDERBERG. Mr. Speaker, I read with interest an article in the Washington Post dated March 31, 1967, entitled "Cash Left In Fund of UPO Council."

Mr. Speaker, I will read this article which is as follows:

CASH LEFT IN FUND OF UPO COUNCIL

The Metropolitan Citizens Advisory Council spent about \$110 on a buffet dinner for its members Wednesday instead of the nearly \$1000 reported incorrectly in yesterday's late editions of The Washington Post.

The Council, made up of representatives from the ten United Planning Organization antipoverty centers, is considering more dinner meetings to use up nearly \$1000 in unspent Federal antipoverty funds appropriated for its operating expenses. The money not spent by the end of June must be returned to the U.S. Office of Economic Opportunity.

Council chairman Thomas Payne told members Wednesday that he would explore possibilities of future box suppers at UPO headquarters or meetings with meals in restaurants or other eating places.

This is another example of many where poverty funds are misused. This program needs real scrutiny if the objectives of the program to assist the poor in becoming self-sustaining are ever to achieve any success.

REFUND OF TAX AND DUTY ON LIQUORS DESTROYED

Mr. BATTIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. BATTIN. Mr. Speaker, I have today offered an amendment to the Internal Revenue Code to provide for a refund of tax and duty on liquors owned by State or municipal governments, which are lost or rendered unmarketable as a result of fire, casualty, or act of God, if such loss is not otherwise indemnified.

To minimize the effect on Federal revenue and avoid an undue administrative burden on the part of the Government, it is proposed that no claim would be eligible unless the tax and duty on such liquors exceeds \$1,000. Additionally, it is proposed that such loss must have resulted from a single disaster, thus avoiding claims for cumulative losses.

The Congress has already recognized that where taxpaid liquors are destroyed or lost by extraordinary disasters while being held for resale, as a matter of equity and fairness the seller sustaining the loss should have the tax and duty refunded if he is not otherwise indemnified. This concept found expression in the separate enactments to cover such losses resulting from the floods of 1936, 1937, 1951 and the hurricanes of 1954. To eliminate the necessity of separate enactments to cover such situations the law was amended in 1958 to provide for such refunds on a continuing basis on liquors lost or rendered unmarketable as a result of a major disaster determined by the President.

Tax refunds for losses resulting from fire, casualty, or act of God, not as a consequence of a major disaster, have been extended to brewers, before transfer of title, and to tobacco manufacturers, importers, and export warehouse proprietors while the products are in their possession or control. Such refunds have apparently been withheld from other dealers because of the substantial loss of public revenue that might result from such an extension of tax benefits to private businesses.

My proposal, however, would substantially increase State revenues while protecting Federal revenue. If this amendment is enacted it will save for the 18 control States, Alabama, Idaho, Iowa, Maine, Michigan, Mississippi, Montana, New Hampshire, North Carolina, Ohio, Oregon, Pennsylvania, Utah, Vermont, Virginia, Washington, West Virginia, and Wyoming, about 50 percent of their insurance premiums on distilled spirits for this type of coverage, since tax and duty represent about 50 percent of the value of the distilled spirits on which their premiums are based. The savings on the other types of alcoholic beverages will be proportionately less but substantial in total, nevertheless.

Annual savings to these States would be approximately \$100,000 in insurance premiums and on the basis of existing loss experience the reduction in Federal revenue would be substantially less. The result would be a substantial net gain in public revenues without injury to any public or private interest.

RESTRICTION ON DAIRY IMPORTS

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, I have today introduced legislation to restrict imports of dairy imports. I am

convinced that the dairy farmers' current struggle for fair and equitable milk prices is directly related to the overflow of dairy products into our country through loopholes in the existing import quotas. The dairymen's plight warrants action on the part of Congress since the administration and the Secretary of Agriculture have been reticent in sharing with this body the study of the Tariff Commission on dairy imports and have taken no positive steps to rectify depressed prices of milk and milk products.

For a number of families in my own Ohio Seventh District the question is "to be or not to be a dairy farmer." They are literally faced with the prospect of going out of business, and, we all agree, I am sure, that the purpose of the U.S. Government is not to cause or preside over the demise of such independent businesses. I am aware that "Rip Van Winkle" Freeman over at the Department of Agriculture has finally awakened, and, recognized at last that there is a serious problem. So he has asked for another study. But American dairymen cannot wait for another long drawn out study by the Tariff Commission. They need action, they are demanding action, and rightly so. It would appear that if any action is forthcoming, it will have to originate with the Congress.

We can do better than to recommend a policy of mollification which seems to be the best that the Department of Agriculture is willing to offer.

I am suggesting that immediate steps be taken to plug the gaps in the quota law, and that this Government's policy be adjusted to permit our dairy farmers to make a decent profit on their products.

Specifically, I propose to curb excess imports of butterfat and nonfat milk solids.

Under the provisions of this bill, imports would be limited to the respective average annual quantities which were admitted for consumption during the period from 1961 through 1965.

Dairy products are defined to include:

All forms of milk and dairy products, butterfat, nonfat milk solids, and any combination or mixture thereof, and includes also any article, compound, or mixture containing 5% or more of butterfat, or nonfat milk solids, or any combination of the two.

The bill allows the President to permit additional imports in the case of "overriding economic or national security interest of the United States," but provides that no additional imports shall be admitted, at a time when prices received by dairy farmers on a national average are less than parity, unless the Secretary of Agriculture removes a corresponding quantity of dairy products from the domestic market.

Importers have used loopholes in the existing quota regulations to increase by 12 times the amount of dairy products brought into the United States in recent years. The result has been sagging markets and prices for domestic products. Using combinations of butterfat, nonfat milk solids and sugar, shippers have been able to displace large portions of the U.S. dairy farmers' market for such commodities as ice cream and cheese ingredients.

Milk and milk products used in Federal distribution programs are excluded when the Secretary of Agriculture determines the averages that will be used as import guidelines.

SENSELESS MURDER

Mr. WYMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. WYMAN. Mr. Speaker, I am appalled by the shocking, senseless, murder of a Marine hero of Vietnam on the streets of New York City today. This decorated hero was felled by a shotgun blast in the face for having the courage to stand up for decency on a public street in the United States. It is an incredibly dismaying tragedy.

The UPI report of the incident as appearing on the front page of the Washington Star for April 3, 1967, reads as follows:

VIETNAM HERO SLAIN IN NEW YORK

NEW YORK.—Marine Sgt. Michael Kroll, 21, a Vietnam veteran from New York who was decorated for heroism in battle, was shot and killed today when he attempted to break up a brawl in Greenwich Village. Kroll, who held the purple heart, was slain by a single blast from a shotgun fired point-blank into his face. Police said Kroll had gone to the aid of a sailor, Robert Crist, 19, who said he struck a man on the street who made improper advances. As Kroll tried to break up the fight, a man armed with a shotgun appeared suddenly and shot Kroll, said police, who are seeking the two men.

Not too long ago in this land we took pride in belief in God, in the American flag, in the protection of womanhood and in the knowledge that we were a nation of men under law.

Mr. Kroll's murder suggests more than sufficient cause for concern for the future of this great land.

A TOOL OF TYRANNY: JUDGES

Mr. RARICK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous material.

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

There was no objection.

Mr. RARICK. Mr. Speaker, hiding under black sheets and knuckling down as under some strange secretive coup against the people of the United States, we beheld a grandstand rally in New Orleans where eight of these black-robed judges exhibited their contempt of their oath to the Constitution and revolted against following the clear-cut mandate of the U.S. Congress with resulting fear and chaos among our people.

The Federal statutes of the Congress reads, taken from Public Law 89-10, April 11, 1965, as follows:

FEDERAL CONTROL OF EDUCATION PROHIBITED

SEC. 604. Nothing contained in this Act shall be construed to authorize any depart-

ment, agency, officer, or employee of the United States to exercise any discretion, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution or school system, or over the selection of library resources, textbooks, or other printed or published instructional materials by any education institution or school system.

In lieu of our law, perfected by the elected Representatives of the people, these secessionist judges chose to hold their own constitutional convention and project into law the HEW guidelines of Mr. Howe and his HEW cronies.

Their action is tantamount to establishing a judicial police state over all public educational facilities—in effect, the conviction, without trial, of every mother, dad, child, and teacher in America, and placing them on perpetual probation under the conditions of their judicial whims. These eight judges must be confused and miserable men to hate little children, parents, and teachers this way. It is not inconceivable that these Federal judges will soon be handling teacher applications, planning school curriculums, seating arrangements, and approving clothing to be worn to school—and grading the test papers. They have made a mockery of their office and oath. Their actions indicate that not only is justice blind, but that they are weak, controllable "little men."

We in Congress are looked to by our people for leadership to right this grievous wrong and to defend our system of government. Too long now have our appointed brethren on the bench violated separation of power and made their own laws. We must take the leadership in restoring these secessionists to the Union.

If they are so blind as to no longer be able to read, they must be retired. If they are too mentally incompetent to apply our laws and protect their Government's integrity, they must be removed. If they have now deserted our Constitution and are applying a foreign and alien law, they must be impeached.

Congress might do well to follow the unprincipled example of the executive department and suspend Federal funds for these judges until they comply with our guidelines—that is, the laws and Constitution of the United States.

But definitely needed, and long overdue, is a congressional committee to investigate the facts and circumstances behind such scandalous and controversial goings-on.

We must determine who is influencing our judges; what pressures—and why and how—are being exerted to make good men be exploited like so many nincompoops. The continued existence of our system demands it.

As said by Thomas Jefferson:

As, for the safety of society we commit honest maniacs to Bedlam, so judges should be withdrawn from their bench whose erroneous biases are leading us to disillusion. It may, indeed, injure them in fame or in fortune; but it saves the Republic, which is the first and supreme law.

Mr. Speaker, so that all the Members may know the names and addresses of these eight rebel judges, I include the lead, front-page story from the Baton Rouge Morning Advocate for Thursday,

March 30, 1967, following my remarks. After which, I include the story, "Reverse Racism Posing Dangers," from the April 1 Evening Star to show that the teamwork plot of unelected lawmakers against education extends into other States and under other Federal agencies: [From the Baton Rouge (La.) Morning Advocate, Mar. 30, 1967]

COMPLETE PUBLIC SCHOOL INTEGRATION IS AFFIRMED—INSTRUCTORS, BUSES INCLUDED IN ORDERS

NEW ORLEANS.—The full 5th U.S. Circuit Court of Appeals affirmed Wednesday a far-reaching decision that six Southern states must integrate their public schools from kindergarten up at the start of the fall term this year.

The opinion by the 12-man court endorsed the decision made three months ago by a three-judge panel of the court.

The integration order applies to students, teachers, school transportation and school-related activities.

By an 8-4 vote, the appeals court held in effect that the U.S. Constitution requires the states to achieve substantial integration by affirmative action, not merely to desegregate their schools.

HEW GUIDELINES

The court's opinion said: "School desegregation cases involve more than a dispute between certain Negro children and certain schools. If Negroes are ever to enter the main stream of American life, as school children, they must have equal educational opportunities with white children."

INCLUDE EBR

In handing down its decisions the appeals court added the East Baton Rouge Parish and the City of Monroe school boards to the list of defendants. The court gave no explanation for the addition.

The court's decision adopted the controversial Department of Health, Education and Welfare guidelines as the standard the states must meet. The HEW guidelines set minimum criteria for integrating school systems which accept federal funds, and prescribe the required rate of integration.

Wednesday's ruling directly affects schools in Alabama, Florida, Georgia, Louisiana, Mississippi and Texas—the states within its jurisdiction. As a precedent, it will affect segregated schools throughout the nation.

The ruling came on an appeal by four Louisiana and three Alabama school boards to the Dec. 29, 1966 decision handed down by a three-judge panel of the court headed by Circuit Judge John Minor Wisdom of New Orleans. Cases before the appeals court normally are decided by three-judge panels.

The 12 judges agreed to jointly reconsider the panel's 2-1 decision, and held a rare en banc—full court—sitting at Jacksonville, Fla., on March 10. They heard arguments from the Justice Department, the Negro plaintiffs and from the seven school boards.

In its opinion Wednesday, the court held that: "Boards and officials administering public schools in this circuit have the affirmative duty under the 14th Amendment of the U.S. Constitution to bring about an integrated, unitary school system in which there are no Negro schools and no white schools—just schools."

"Expressions in our earlier opinions distinguishing between integration and desegregation must yield to this affirmative duty we now recognize. In fulfilling this duty it is not enough for school authorities to offer Negro children the opportunity to attend formerly all-white schools. The necessity of overcoming the effects of the dual school system in this circuit requires integration of faculties, facilities and activities, as well as students.

In a dissenting opinion, Judge Walter P. Gwin of Tuscaloosa, Ala., said he did not share the majority's pessimism regarding the willingness of Southern school boards to desegregate.

"While some of them have performed slowly and a few have not performed at all," he wrote, "the vast majority of school boards are undertaking to do what is best for the school children of the nation. We should not interfere with them unduly."

In New York, a spokesman for the NAACP Legal Defense and Education Fund, Jack Greenberg, said the ruling provides his group with "new judicial tools."

"The extremely detailed decree and the clear-cut majority means that Legal Defense and Educational Fund attorneys are in a position to bring about substantial school desegregation in the Deep South for the first time," Greenberg said.

U.S. ARGUMENT

John Doar, assistant U.S. attorney general, argued at the Jacksonville hearing that Southern school boards have failed to eliminate dual racial systems under court-sanctioned, free-choice pupil assignment plans.

"The government wants not white schools and not schools for Negro children—but just plain schools," Doar said. He said he was not advocating a racial balance in schools.

The HEW guidelines for classrooms, faculties, transportation and school activities applied only to schools not under court-approved desegregation plans.

A major factor considered by Judge Wisdom's panel in reaching the first ruling in this case was the use of federal courts as shields by some segregation-minded school boards seeking to circumvent HEW. The courts usually left details and procedures up to the local boards.

"In Louisiana alone, 20 school boards obtained quick decrees providing for desegregation according to plans greatly at variance with the guidelines," Wisdom wrote.

The HEW guidelines do not require any specific racial proportion among pupils or faculties, but aim at eliminating dual school systems operated on a segregated basis.

PROGRESS

A key paragraph says desegregation of staff and faculty "must include significant progress beyond what was accomplished" the preceding year in schools where there has been racial segregation.

In districts where "a significant percentage of the students, such as eight or nine per cent," moved out of segregated schools last year, "total transfers on the orders of at least twice that percentage would normally be expected" the following year, the guidelines state.

The proportional increase desired by HEW rises where the percentage of transfer to desegregated schools was less than the eight to nine per cent example. This is to allow a school system starting desegregation late to catch up, HEW explained.

School boards involved in the suit decided Wednesday, were those of Jefferson County, Fairfield and Bessemer in Alabama, and the Louisiana parishes—counties—of Caddo, Bossier, Jackson and Claiborne.

In handing down its decision, the appeals court added the City of Monroe, La., to the list of defendants. The court gave no explanation for the addition.

Joining Wisdom in the majority opinion were Judges Elbert P. Tuttle, Atlanta; John R. Brown, Houston; Homer Thornberry, Austin, Tex.; Irving L. Goldberg, Dallas; Robert A. Ainsworth, Jr.; New Orleans; David W. Dyer, Miami; and Bryan Simpson, Jacksonville, Fla.

Dissenting were Judges Walter P. Gwin, Tuscaloosa, Ala.; Griffin Bell, Atlanta, John C. Goddard, Montgomery, Ala.; and James J. Coleman, Ackerman, Miss.

[From the Evening Star, Apr. 1, 1967]

REVERSE RACISM POSING DANGERS

(By Jenkin Lloyd Jones)

Where men of one skin color are accorded rights, privileges and opportunity denied to those of another skin color we have what is properly described as "racism."

For a long time the American Negro had to be twice as good to get half as far. He bumped his head against a low ceiling of acceptability. He might ride in a Pullman car, but only if he wore a white jacket and shined shoes. He was not seriously considered for white-collar employment. He was low man on the social totem pole.

Eventually, America's conscience began to grow troubled and there was passed by the Congress a series of civil rights laws designed to redress the imbalance. That these laws have not totally succeeded is obvious, for long-established habit patterns, held both by whites and Negroes, are not easily changed.

Nevertheless, much progress was made and springs of good will began to flow from the rocks. The outlook was bright for orderly and steady advance until CORE and SNICK began the "hate Whitey" bit and Adam Clayton Powell presented himself as a second Jesus. It would be unrealistic not to admit that some of the original civil rights euphoria has vanished.

Still, let's keep our eye on the ultimate objective—an America in which dark citizens of equal ability, energy, education and trustworthiness will be as acceptable for employment and promotion as any comparable white person. This is the end of "racism." But it won't be accomplished by setting up a system of reverse racism.

On March 10 there was published a special issue of University Record, the information bulletin for the faculty and staff of the University of Michigan at Ann Arbor. It sets forth, apparently under pressure from the federal government, a series of guidelines that call for close examination.

The Record states that Walter Green, acting regional director of the Defense Department's Contract Compliance Office in Detroit, has been inquiring not only into the employment customs of the university, but also into its "educational policies."

Green admitted that the ratio of Negroes employed by the university was higher than the ratio of Negro population in the whole of Michigan. But he complained that most Negro jobs were menial. So on March 9 he issued "16 recommendations," including:

"The Central Personnel Office should take immediate action to locate and place minority group employees in its several operations not only to assist in broadening its employment practices, but also to set a proper example and image for the University and general public.

"The Central Personnel Office . . . should conduct broad-scale recruitment throughout the major urban centers in the Lower Peninsula in an effort to locate satisfactory minority group applicants.

"University advertising for clerical personnel should be placed in newspapers having a specific minority group readership. As an example, advertising should be placed in the Wayne Dispatch.

"Personal contacts should be established with Mr. Hamilton Vanzetti, president of the NAACP and Mrs. Eaglin of the Negro community of Ypsilanti."

This is a far cry from sympathetic consideration of a job application by a Negro. This is a demand for active recruitment of one race even to specifying what newspaper should carry a university employment ad, and what private citizens the employment office should consult. There is also a fist in Greene's velvet glove, as witness:

"Each department of the university should be required to develop a written plan of intended affirmation. . . . It is requested that

these plans be shared with the Contracts Compliance Office, Department of Defense.

There is also a hint that the federal government will welcome a double standard of admissions based upon race. Quote:

"The university must make special effort to enroll Negro students at the graduate level. . . . The Economics Department has sent letters to predominantly Negro colleges emphasizing the interest of the department in attracting their students, offering to 'see students through an initial period of filling in gaps, even up to a year, if their eventual promise is strong.'"

Presumably, white students with "gaps" will not only not be carried for a year, but won't even be admitted.

In passing the civil rights laws the clear intent of Congress was to offer "equal opportunity." To recruit one race while the other must make application is not equal opportunity. To set a double standard of academic qualifications is not equal opportunity. Here is another instance in which arrogant executive departments in Washington have issued directives that far exceed the intent of Congress.

These double standards could be tragic for the cause of tolerance. To castigate the white majority for its past sins is proper, but only a fool would imagine that it will accept for very long a government policy of racism aimed against the majority.

SCHOLAR POWER OR BOONDOGGLE

Mr. HALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous material.

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

There was no objection.

Mr. HALL. Mr. Speaker, as a lawyer friend once jokingly said to me: "When a lawyer has the facts and the law on his client's side he argues the facts and the law before the jury. When he does not have the facts on his side his other option is to pound the table." With reference to the editorial in the April 3 issue of the Washington Post, entitled "Scholar Power," it is obvious that both the Post and my erstwhile colleague from New Jersey are engaged in "pounding the table" for there is precious little in their invectives to indicate even a vague awareness of the facts.

The Post suggests that my criticism of the grant by the National Endowment on Humanities for a study of the history of "comic strips" stems from the fact that Dr. David Kunzle, who received the grant, is a noncitizen of the United States who apparently shares the Communist hopes that we will abandon South Vietnam.

Nothing could be further from the truth, as the Post could easily have determined if it had made any effort at all to contact my office. The facts are that I first objected to this particular grant on February 8 during the debate on the public debt ceiling. I knew nothing of Dr. Kunzle's personal background, nor did I even learn of his background until a month later. The Post would do well to consider the questions which I posed in a letter to the National Foundation on Arts and Humanities on February 15, to which I still have not received a reply. That letter did not even mention Dr. Kunzle. Quoting in part from that letter:

I would like to grant that every statement you make about the comics and cartoonists is true. I readily acknowledge, in fact admire, the art and skills of the cartoonist and the comic strip writer. I grant that the political cartoonist has had a significant impact on history. I even deplore the fact that comic strips have not had greater impact.

But what has all this got to do with using the taxpayer's dollars to compile a history of the comic strips at a time of severe strains on the Federal Treasury deficit spending, and inflation? What possible benefit can accrue to the taxpayer from such a study? How can you justify this, and other grants of a similar nature, at a time when the President is asking taxpayers to dig deeper in their pockets and approve another increase in Federal taxes? Where is your sense of priority and need?

When the Post and my colleague from New Jersey are ready to answer these questions, perhaps we can get to the root of the issue. But so long as they continue to have automatic reflexes like Pavlov's dogs and shout "McCarthyism" and "know nothingism" instead of coming to grips with the basic issue there is little to be gained in any dialog. That is why I asked the House Committee on Appropriations to give this matter a careful look, and act on the basis of facts, needs, and priorities, instead of heeding the cries of "wolf" from the left.

If the Post is truly interested in what this is all about, they might also inquire—as have I—into the question of what rights the Federal Government and the taxpayer have to these profound studies once they are completed, or what reimbursement might accrue to the Federal Treasury from any profits that might accrue from these and other federally subsidized "research" grants. The Post may be interested in knowing that Dr. Kunzle's reaction to my initial criticism—which made no mention of his Vietnam views—was that:

It's too bad that Congressional objections to my grant-in-aid weren't publicized closer to the publication of my book—they would have skyrocketed sales.

Fortunately, there are other more responsible journalists who have looked at this whole question and whose findings bear faint resemblance to the Washington Post. Under unanimous consent I insert at this point in the RECORD, editorials from the Chicago Tribune, the St. Louis Globe Democrat, the Daily Oklahoman, the Tulsa World, an article from the March 17 issue of Time magazine, entitled "The Art of Grantsmanship," and an article from the Washington Star "Rambler" column, and an article by Ralph de Toledano:

[From the Chicago Tribune, Mar. 17, 1967]

WHERE YOUR MONEY IS GOING

Protests over the granting of an \$8,789 federal subsidy to a British citizen for a study of comic strips have led to some other interesting disclosures about how President Johnson's new National Foundation on Arts and Humanities is spending its money.

The foundation was authorized by Congress in 1965 as part of Mr. Johnson's federal culture kick, and it was originally slated to spend 60 million dollars in three years. Fortunately Congress appropriated only 9 million dollars to this effort last fall. It would have been more fortunate still if it had appropriated none at all.

Taxpayers who are interested in the London theater in the 18th century, for example, may be happy to know that \$20,000 of their money has been awarded to a faculty member at George Washington university to compile "a biographical dictionary and census of theatrical performers on the stages of London and its suburbs from 1660 to 1801."

Another \$18,000 has gone to a study to determine whether Edmund Burke, the English statesman, actually wrote the 18th century journal, the Annual Register. A man at Indiana university has been granted \$21,500 to produce an "annotated list of French prose fiction from 1700 to 1750."

Rep. Durward G. Hall of Missouri, a Republican, has quite properly protested this sort of federal spending at a time when the taxpayers are being threatened with higher taxes to pay for the costs of the war in Viet Nam.

What Mr. Hall finds particularly shocking about the grant to the Englishman, one Dr. David Kunzle, is that his subsidized study of comic strips has not deterred him from leading demonstration against the Viet Nam war. Mr. Hall asked that this grant be rescinded and that others be reexamined.

In a broader sense, the absurd irrelevancy of some of the activities which American taxpayers are being asked to finance [by an administration, incidentally, which promised to eliminate all nonessential spending] illustrates the problem inherent in any federal culture program. If the administration itself decides how to distribute the money, it will be accused [and very likely justly] of turning the arts into a propaganda machine like Russia's. But if the money is administered independently, as it presumably is in the present instance, there is no telling where it will go.

In short, the best culture program is probably none at all. If studies of comic strips, or of the 18th century London theater, or of French prose fiction, are important enough to deserve taxpayers' money during a war, they should certainly be able to find support from the enormous private resources available to the American academic world.

[From the St. Louis Globe-Democrat, Mar. 23, 1967]

TO STUDY COMIC STRIPS, \$8,789

Who would give an anti-war alien \$8789 to study comic strips?

The National Foundation for the Arts and Humanities would.

An angry Representative Durward G. Hall of Missouri charged that Dr. David Kunzle, holder of the Foundation comic strip award, had been identified as a leader of anti-Vietnam war demonstrations.

Certainly any nation so gullible as to permit a foreign citizen not only to undermine its war effort, but pay him handsomely in process, doesn't deserve much sympathy.

Representative Hall certainly has good grounds for challenging the grants of the national foundation. The House Appropriations Committee would do well to review all of the foundation's grants and rescind other frivolous awards.

As for Dr. Kunzle, his should be rescinded at once. Let him study the "funnies" on his own time.

[From the Daily Oklahoman, Mar. 16, 1967]

COMIC RELIEF?—BITING THE HAND

WASHINGTON.—Dr. David Kunzle, holder of a Johnson administration award of \$8,789 to study comic strips, was identified Wednesday as a leader of anti-Vietnam war demonstrations and as a foreigner.

Rep. Durward G. Hall (R-Mo.), who first protested this type of federal spending when war costs are running so high, said Kunzle's neighbors in Santa Barbara, Calif., are quite indignant over the award.

"Dr. Kunzle is not an American citizen," Hall told the house appropriations committee.

"He has been among those in the forefront of opposing our presence in Vietnam."

Hall said that under our form of government every citizen has a right to dissent and to criticize the government of the United States and its foreign policies.

"But every citizen does not have a right to the private use of tax funds," Hall said.

Kunzle, the congressman charged "has no reservations about biting the hand that is feeding him; about accepting funds from our treasury while giving aid and comfort to those who are daily spilling American blood, the blood of men whose taxes help pay his federal subsidy."

Hall said Kunzle is making the study at the University of California in Santa Barbara. The money was given Kunzle by the National Foundation on the Arts and Humanities. It was neighbors of Kunzle in Santa Barbara who in letters protesting the grant, disclosed that Kunzle was not an American citizen, Hall said.

A check with the federal immigration service, Hall reported, disclosed that Kunzle is a British citizen and that his wife is French.

Hall asked the appropriations committee "to take steps to rescind this particular grant" and to consider canceling other grants made by the National Foundation on the Arts and Humanities.

[From the Tulsa (Okla.) World, Mar. 18, 1967]

SO FUNNY IT HURTS

A Congressman from Missouri, REP. DURWARD HALL, has opened the door on a situation so bizarre that we don't know whether to laugh or cry.

It starts with an improbable fact, but true: A man named Dr. David Kunzle has been awarded a grant of \$8,789—to study the history of comic strips. Government money, no less; filtered through the National Foundation on the Arts and Humanities.

That is ridiculous enough. But CONGRESSMAN HALL reports that this Government-financed researcher is a leader in demonstrations against U.S. policies in Vietnam—and he's not even an American citizen!

The Congressman, who takes a dim view of foolish Federal spending while we're fighting a war, made his disclosure to the House Appropriations Committee. He said Kunzle is a British citizen but is doing his comic-strip bit at the University of California at Santa Barbara—and "has been among those in the forefront of opposing our presence in Vietnam."

HALL got a little excited about it. He said Kunzle "has no reservations about biting the hand that is feeding him; about accepting funds from our treasury while giving aid and comfort to those who are daily spilling American blood, the blood of men whose taxes help pay his Federal subsidy."

We don't blame him for getting wrought up. Here is comic-strip material worthy of Kunzle's research. Only in the United States would the Government subsidize a foreign citizen so that he can be in position to try to undermine a vital national policy.

On second thought, it's too wild even for a comic-strip plot. The question is, Will Washington do anything about it?

[From Time magazine, Mar. 17, 1967]

THE FINE ART OF GRANTSMANSHIP

On most U.S. campuses these days, grantsmanship—the fine art of picking off research funds—is almost as important to professorial prestige as the ability to teach or carry out the research once a grant is landed. The competition is keen and the potential prizes are well worth the effort: the Federal Government and private foundations annually

present the nation's universities with a \$5 billion bonanza in research money.

To be sure, tough screening and accounting procedures help make certain that the bonanza is not a boondoggle; both the givers and the receivers of grants rightly insist that money invested in research has paid off a hundredfold in scholarly discoveries. Nonetheless, some educators are beginning to wonder about the impact of all that easy-come money on the universities. Salary, prestige and promotion depend upon a scholar's ability to probe and publish—which in turn often depends upon his ability to unearth research grants. "You need the federal loot to do the research to do the book to get the loot," says Stephen Trachtenberg, an assistance to U.S. Education Commissioner Harold Howe. "Research aid comes too easily to the researchers," adds Engineering Science Professor Samuel Silver of Berkeley's Space Science Laboratory. "We've come to expect it as our due."

The Golden Touch. The first step in mastering grantsmanship is picking a field that the grant givers consider hot. "I've developed the golden touch," admits a former Justice Department consultant now on the University of Mississippi faculty. "I can get \$100,000 with half an hour on the phone to Washington—I can get rich fighting poverty." Studies of water and air pollution are also big this year, as is any application of computers to human affairs (at Stanford alone there are seven major projects in computer-assisted teaching). There is always plenty of money available from almost any foundation for cardiac disease and cancer research. Although the social sciences get less than 3% of federal research money, psychological studies are beginning to get more help.

Too often, "scholars go where the money is," says University of Chicago Sociologist Philip Hauser. What this means, explains Theodore Sizer, dean of the Harvard Graduate School of Education, is that "researchers are not asking the right questions—they are taking the questions that are easier to research." Scholars often frame their grant proposals broadly enough to blanket their real research interests. The sociologist interested in youth gangs, for example, is more likely to get money for a study of slum neighborhoods. Conversely, a biologist who merely wanted to find out whether a high-protein fish flour was unsafe for human consumption landed a grant by emphasizing that he wanted to know if the flour would induce cancer.

Awards for Writing. Writing a proposal is also an art. Some grants, argues Lewis Yablonsky, a sociology professor at California's San Fernando Valley State College, are really awards for excellence in writing. It is "a form of seduction—you must titillate them to give the money," says Barry Winograd, a grad student at Cal's Santa Barbara campus. He advises that "somewhat vague phrasing" pays off, along with a tactful reference to omissions in previous research.

Seductive writing sometimes seems to sell projects whose utility is not easily apparent. The Government gave one school \$50,000 to film the mating dance of the Amazon butterfly, while other researchers received a grant to study the rectal temperature of hibernating bears. A team of engineers at the University of Minnesota got \$250,000 from the Government to devise an ideal "experimental city." The only trouble with this otherwise worthy project: no full-time social scientist was involved in the study.

No Time to Contemplate. Scholars tend to consider their research a product to be sold to the highest bidder—although trying out the same project on different grant givers must be done with some care. "If a foundation thinks that you've got a 10% chance of getting the funds from someone else, they're not going to give you the money," explains one Harvard Ph. D. candidate. For some

professors, the pursuit of project money is almost a full-time career in itself. "There is a kind of hustle here, like in the business world," contends John Hodges, a British-born Harvard graduate student in the history of science, "and sometimes intellectual contemplation is fitted in between phone calls to Washington." Harvard Graduate Student Steve Barney claims that grants are used "as a bonus for the faculty—like an expense account in business," cites travel grants to libraries, despite the availability of microfilmed copies.

Effective grantsmanship feeds on itself. "When you are doing good research, you attract talented people," says Ohio Researcher John B. Galpault. "You become known as a swinger, and good graduate students want to work for you—then you have to keep them challenged." Once a school has the manpower and equipment, the next grant comes easier. "The rich are getting richer and the poor are going nowhere," says Berkeley's Silver.

If there is any victim in grantsmanship, it is not the Government or the foundations but the undergraduate student. To the professor tied up in the pursuit of research funds, teaching may seem like an unpleasant interruption in his real career. One U.C.L.A. physicist, for example, contends that "a professor who gets three or four men through to their Ph. D. via research is achieving far more than he can by lecturing to a hundred freshmen all year." The nation's 1.5 million freshmen are not likely to agree—until they, too, some day need a grant.

[From the Washington Evening Star, Mar. 10, 1967]

FOLLOWS THE DOLLAR

(By John McKelway)

As the years go by, almost every session of Congress includes at least one congressman who tries to follow the dollar.

This can be a most interesting undertaking because there are few people who take the time to do it.

The latest, to my knowledge, is one Rep. Durward G. Hall, R-Mo., who has more or less taken it upon himself to be a sort of thorn in the side of the House.

And, possibly, in the side of the country. Hall, the other day, got upset about some grants made by the National Foundation on the Arts and Humanities.

First of all, he was upset by the award of \$3,000 to the University of California for a study of comic strips. As he said, "Lest anyone think that this relatively small grant represents the only amount of waste in time of national economic crises, I wish to point out that this grant represents only one of many totaling almost \$1 million by the National Foundation on the Arts and Humanities. Some of the others are equally absurd and are even less justified during a time of severe strain on the national treasury. . ."

Hall went even further. "I find," he said, "there is no clear understanding at the National Foundation on the Arts and Humanities on who has title to the product of this federally subsidized research."

The congressman, continuing, said he could not find anyone "downtown" who could tell him what was what.

In the past, certain congressmen have tried to have fun with some of the grants made by the National Institutes of Health. The fact that someone, at the expense of the taxpayer, is studying the gall bladder of mature elks is, of course, most interesting.

But, perhaps, Hall has made a point. From gall bladder studies we might all benefit. But when you get into the arts and the humanities—well?

Hall, in his attack on the waste of money, included a long list of how this new Government agency is spending its money.

The Rambler finds them most interesting and he is all the more eager for a grant of some sort. For this kind of money, he would go and study the rise and success of say, the supermarket and what it all means.

Others have different ideas, and some of these Hall placed in the Congressional Record. For example:

"A grant of up to \$10,000 to Bryn Mawr College to support an archaeological project which will train American archaeology students as well as furthering research . . ."

What these people are going to do, the Rambler gathers, is dig up a "layout and development of a 6th Century B.C. Etruscan town."

How can you take a stand against that?

Oh well, you can get to feeling about these things as Hall does.

As mentioned earlier, up to \$8,789 went out to David Kunzle of the University of California to do a study on the history of the comic strip. This should prove interesting but the Rambler, like Hall, had no idea he would partially finance it. The Kunzle work, incidentally, according to this new agency, " . . . should make a great contribution to the understanding of the comic strip on a historical and sociological basis, as well as an artistic one . . ."

Some of the other grants:

Up to \$5,000 to the Minnesota Historical Society to "support a segment of a project" relating to the history of fur-trading in the area.

An award of \$8,959 to Smith College for a research project to "edit the unpublished memoirs of the Spaniard, Oviedo." Oviedo, it is said, was "official chronicler to Charles V."

Or how about the \$15,263 awarded to Professor Paul Schilpp to continue his series, "The Library of Living Philosophers," at the University of Southern Illinois.

Maybe if we could get one of these grants we would feel differently. Until then, the Rambler goes along with Hall and his raised-eyebrow approach to where the money is going.

Certainly we could do more with the \$31,000 we are handing over to Queens College for a "Computerindexed Bibliography of International Scholarly Writings on Music."

Then again, I could be wrong.

[From the Springfield (Mo.) Leader & Press, Mar. 14, 1967]

DR. HALL AND CULTURE

WASHINGTON.—It was Rep. Durward Hall of Missouri who discovered that the Federal government—through its National Foundation on Arts and Humanities—had spent \$8789 to finance a study of the American "comic book." There were loud outcries then from the Liberal Establishment, and accusations that Rep. Hall was being some kind of yahoo for raising the issue.

Nothing daunted, Rep. Hall has continued to probe into this soft underside of a Federal establishment which cuts back vital defense programs for lack of funds but can squander the taxpayer's substance on a group of self-styled intellectuals interested solely in their fly's-eye view of culture. He discovered that the Administration's pleas of dire need have not caught up with the academic spenders.

Though Congress is being asked to raise taxes in order to meet the cost of the Vietnam War and the Great Society, the public has not been told that proposed appropriations for the National Foundation on Arts and Humanities have almost been doubled this year. Last year, the NFAH spent some \$9 million in its egghead boondoggles. This year a shocked Rep. Hall notes that the NFAH is asking for \$16.37 million for its "work," of which roughly \$1 million will be spent on salaries and the rest on what is laughingly called "research."

That money might well be spent for ameliorating the suffering of victims of the Communist terror in Vietnam. Or it might be devoted to research in the cure of cancer. Or again, it might be used to share the wealth by being handed out in \$5 bills at your neighborhood supermarket. It would probably do more good that way.

Instead it is being devoted to such matters as "A Collection of Critical Editions of and Studies on Medieval Canon Law" at \$10,000 a throw.

The National Foundation on Arts and Humanities may agonize that this is an exaggeration. There were, after all, attempts to deny that other grants mentioned by irate Congressmen did not really exist and were the invention of malign right-wingers and anti-intellectualists. But the grants I intend to list come from one of NFAH's own publicity releases. For example:

"Literary Investigation of American Popular Culture"—\$12,650;

"The Unpublished Memoirs of th- Spaniard Oviedo (1478-1557)"—\$6,952;

"Papers of the Harmony Society"—\$15,000;

"Winchester (England) Excavations"—

\$17,205;

"Did Edmund Burke Write the 18th Century Journal, The Annual Register?"—

\$18,800;

"The Interpretation of Tintoretto's Paintings in the Upper Hall of the Scuola di San Rocco in Venice"—\$15,500;

"An Analysis of Prose Works by Masters of Arts at European Universities. Between 1270 and 1350"—\$11,700;

"A Biographical Dictionary and Census of Theatrical Performers on the Stages of London and its Suburbs from 1660 to 1801"—

\$20,000;

"The Southwestern Journals of Adolph F. Bandelier, written 1883 to 1892"—\$6,370;

"Computer Concordances of Five English Poets"—\$23,000;

"Dictionary of Old High German Glosses"—\$18,700;

And, for those who can't read:

"Recitation of Chinese Classical Literature"—\$8950.

This is only a small part of the list of goodies the American people are getting for the tax dollars the Administration and the Congress seem disposed to give the National Foundation on Arts and Humanities. But once these momentous works are compiled, what will happen to them? Representative Hall tried to find out, and he is still trying to untangle himself from the double talk. Who has title to these Federally-subsidized researches?

"Does any taxpayer have the right to obtain a copy of the end product?" Rep. Hall asks. "The deputy director of (NFAH) says he is not sure. Does the Federal government share in the profits of any of this research in case one of these studies becomes a best seller? No one downtown"—in the Executive Branch—"seems to know."

Dr. David Kunzle, the scholar who wrote the "comic book" history, tips us off, however. He complains that if criticisms of that grant had come at the time his book was published, "they would have skyrocketed sales." That would have been nice for Dr. Kunzle and his scholarly cronies in Santa Barbara, California, but where would that leave the taxpayer? That question, addressed to enough members of Congress, might get results. Meanwhile, save up for that 6 percent tax increase. The NFAH and their cousins in government have their eyes on it and their hands out.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, D.C., March 29, 1967.

The Honorable the SPEAKER,
House of Representatives.

SIR: Pursuant to authority granted on March 22, 1967, the Clerk received from the Secretary of the Senate on Tuesday, March 28, 1967, the following messages:

That the Senate passed with amendments the bill (H.R. 286) entitled "An Act to permit duty-free treatment of dicyandiamide pursuant to the Trade Expansion Act of 1962"; and

That the Vice President, pursuant to Public Law 170, Seventy-fourth Congress, appointed Mr. Long of Missouri and Mr. Yarborough as members, on the part of the Senate, to attend the Interparliamentary Union Meeting to be held in Majorca, Spain, on March 27 to April 2, 1967.

Respectfully yours,

W. PAT JENNINGS,
Clerk, U.S. House of Representatives.

SECOND ANNUAL REPORT OF THE NATIONAL CAPITAL TRANSPORTATION AGENCY FOR CALENDAR YEAR 1966—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on the District of Columbia:

To the Congress of the United States:

I am pleased to transmit the Second Annual Report of the National Capital Transportation Agency for calendar year 1966.

Significant steps were taken during 1966 by the Congress, the executive branch, and the State and local governments of the National Capital region toward solving the transportation problems of the Washington metropolitan area.

During the year evidence of progress first became visible to Washington commuters. Survey markers and boring equipment on streets and sidewalks show that we are finally beginning to move.

In October, the Congress approved the interstate compact between Maryland, Virginia, and the District of Columbia creating the Washington Metropolitan Area Transit Authority. That Authority will assume responsibility for the Washington rapid transit system and plan its extension into the Maryland and Virginia suburbs. At year's end, with the assistance of the experienced staff of the Transportation Agency, the new Authority had already embarked upon the preparation of a regional mass transit plan.

Progress has been made. We have the authority to attack the severe traffic problems plaguing the Nation's Capital and its suburbs. Now we must, and will, make every effort to implement that authority—wisely, rapidly, and efficiently.

LYNDON B. JOHNSON.

THE WHITE HOUSE, April 3, 1967.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

TO AMEND TITLES 5, 14, AND 37, UNITED STATES CODE, TO CODIFY RECENT LAW, AND TO IMPROVE THE CODE

The Clerk called the bill (H.R. 5876) to amend titles 5, 14, and 37, United States Code, to codify recent law, and to improve the Code.

The SPEAKER. Is there objection?

Mr. GROSS. Mr. Speaker, reserving the right to object, I should like to ask someone in connection with this bill, since it is a complex measure, if it pertains only to what Public Law 89-718, title 37, and title 5, Public Law 89-554, and makes no substantive changes with respect to those laws?

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

Mr. GROSS. I am glad to yield to the gentleman from Wisconsin.

Mr. KASTENMEIER. The gentleman is correct in reference to the changes made. They are limited only to the sections to which he has referred.

Mr. GROSS. And it corrects only errors and phraseology?

Mr. KASTENMEIER. That is correct; without any substantive change whatsoever.

Mr. GROSS. The gentleman gives us full assurance that it makes no substantive change in the laws?

Mr. KASTENMEIER. The gentleman is correct. It makes no such change.

Mr. GROSS. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

Mr. PELLY. Mr. Speaker, reserving the right to object, as I understand this is really a simple codification of existing law, and in accordance with precedent, and in view of the fact that this is a long bill, I would ask unanimous consent that we waive printing in the Record.

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

Mr. PELLY. I yield to the gentleman from Wisconsin.

Mr. KASTENMEIER. The committee has no objection to that. This is a long bill, and consistent with the practice the committee has adhered to in the past, of waiving the printing in full of these long bills. The committee has no objection.

The SPEAKER. Is there objection to the request of the gentleman from Washington that the printing of the bill in the Record be waived?

There was no objection.

The Clerk read the following committee amendments:

On page 45, strike out line 17 and insert in place thereof:

"§ 8124. Findings and award; hearings

On page 70, after line 17, insert the following:

"(98) Section 903(a) (5) is amended by striking out 'an officer in the civil service or uniformed services' and inserting in place thereof 'an officer in the civil service, or a uniformed service, or of the government of the District of Columbia.'"

On page 73, after line 15, insert the following:

"(h) Section 1(3), (10), (11), (12), (23), (83) (A) and (D), (89), and (98) of this Act is effective as of September 6, 1966, for all purposes.

"(i) Section 2 of this Act is effective as of November 2, 1966, for all purposes."

Mr. ROTH. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I ask that one of the members of the Judiciary Committee tell the House whether the bill makes any substantive change.

Mr. KASTENMEIER. Mr. Speaker, will the gentleman from Delaware yield?

Mr. ROTH. I yield to the gentleman from Wisconsin.

Mr. KASTENMEIER. Mr. Speaker, the gentleman is correct. As I responded to the gentleman from Iowa, this bill simply incorporates several titles into the United States Code, without any substantive change whatsoever, of recent laws that were not enacted as direct amendments. That is all it does.

The committee amendments were agreed to.

The bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CODIFICATION OF PUBLIC LAW 89-487

The Clerk called the bill (H.R. 5357) to amend section 552 of title 5, United States Code, to codify the provisions of Public Law 89-487.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HALL. Mr. Speaker, reserving the right to object, it is my understanding, although it is not so stated in the report, that these changes were recommended by the Department of Justice. Will the gentleman from the Committee on the Judiciary confirm this?

Mr. KASTENMEIER. Mr. Speaker, will the gentleman from Missouri yield?

Mr. HALL. I yield to the gentleman from Wisconsin.

Mr. KASTENMEIER. Mr. Speaker, These are not actual changes, but this procedure, incorporating this entire title 5, was recommended by the Department of Justice.

Mr. HALL. Mr. Speaker, I would like to inquire further as to whether this would in any way aid or abet what has come about as a result of the Reorganization Act of 1949, which makes it possible to print in the Federal Register a reorganization of one of the executive branches, with the full effect and weight of law if not objected to by resolution on the part of one of the two Houses of Congress within a requisite number of days? Is there anything within these changes of the provisions of Public Law 89-487 which would make this power of the "veto in reverse"—as I have referred to in the provision—more applicable?

In other words, what I am getting at is, will it further relegate any of the powers of the Congress to the executive branch of the Government?

Mr. KASTENMEIER. Mr. Speaker, will the gentleman from Missouri yield?

Mr. HALL. I yield to the gentleman from Wisconsin.

Mr. KASTENMEIER. Mr. Speaker, I assure the gentleman this does not have that effect. This does not change in any respect the powers of Congress or the executive branch.

Mr. HALL. We do have the gentle-

man's full assurance that on this bill there is no substantive change, and that it is really a technical and conforming amendment which has nothing to do with the "veto in reverse"?

Mr. KASTENMEIER. Mr. Speaker, if the gentleman from Missouri will yield further, the bill simply incorporates into title 5, without any substantive change, an amendment of the Administrative Procedures Act. This bill incorporates into title 5 of the United States Code, without substantive change, the provisions of Public Law 89-487. That law was not amended by title 5, which was enacted by Public Law 89-554, but which codified the Administrative Procedures Act.

For this reason we have so recommended.

Mr. HALL. I appreciate the gentleman's explanation.

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

Mr. HALL. I yield to the gentleman from Iowa.

Mr. GROSS. This would confer no greater power upon the 10th Judicial Conference or upon any other judicial conference in the country; is that correct?

Mr. KASTENMEIER. If the gentleman will yield further, I assure the gentleman it will not.

Mr. HALL. Mr. Speaker, I withdraw my reservation.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

H.R. 5357

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 552 of title 5, United States Code, is amended to read:

"§ 552. Public information; agency rules, opinions, orders, records, and proceedings

"(a) Each agency shall separately state and currently publish in the Federal Register for the guidance of the public—

"(1) descriptions of its central and field organization and the established places at which, the employees from whom, and the methods whereby, the public may obtain information, make submittals or requests, or obtain decisions;

"(2) statements of the general course and method by which its functions are channeled and determined, including the nature and requirements of all formal and informal procedures available;

"(3) rules of procedure, descriptions of forms available or the places at which forms may be obtained, and instructions as to the scope and contents of all papers, reports, or examinations;

"(4) substantive rules of general applicability adopted as authorized by law, and statements of general policy or interpretations of general applicability formulated and adopted by the agency; and

"(5) each amendment, revision, or repeal of the foregoing.

Except to the extent that a person has actual and timely notice of the terms thereof, a person may not in any manner be required to resort to, or be adversely affected by, a matter required to be published in the Federal Register and not so published. For the purpose of this subsection, matter reasonably available to the class of persons affected thereby is deemed published in the Federal Register when incorporated by reference

therein with the approval of the Director of the Federal Register.

"(b) Each agency, in accordance with published rules, shall make available for public inspection and copying—

"(1) final opinions, including concurring and dissenting opinions, as well as orders, made in the adjudication of cases;

"(2) those statements of policy and interpretations which have been adopted by the agency and are not published in the Federal Register; and

"(3) administrative staff manuals and instructions to staff that affect a member of the public;

unless the materials are promptly published and copies offered for sale. To the extent required to prevent a clearly unwarranted invasion of personal privacy, an agency may delete identifying details when it makes available or publishes an opinion, statement of policy, interpretation, or staff manual or instruction. However, in each case the justification for the deletion shall be explained fully in writing. Each agency also shall maintain and make available for public inspection and copying a current index providing identifying information for the public as to any matter issued, adopted, or promulgated after July 4, 1967, and required by this subsection to be made available or published. A final order, opinion, statement of policy, interpretation, or staff manual or instruction that affects a member of the public may be relied on, used, or cited as precedent by an agency against a party other than an agency only if—

"(A) it has been indexed and either made available or published as provided by this subsection; or

"(B) the party has actual and timely notice of the terms thereof.

"(c) Except with respect to the records made available under subsections (a) and (b) of this section, each agency, on request for identifiable records made in accordance with published rules stating the time, place, fees to the extent authorized by statute, and procedure to be followed, shall make the records promptly available to any person. On complaint, the district court of the United States in the district in which the complainant resides, or has his principal place of business, or in which the agency records are situated, has jurisdiction to enjoin the agency from withholding agency records and to order the production of any agency records improperly withheld from the complainant. In such a case the court shall determine the matter de novo and the burden is on the agency to sustain its action. In the event of noncompliance with the order of the court, the district court may punish the responsible employees for contempt. Except as to causes the court considers of greater importance, proceedings before the district court, as authorized by this subsection, take precedence on the docket over all other causes and shall be assigned for hearing and trial at the earliest practicable date and expedited in every way.

"(d) Each agency having more than one member shall maintain and make available for public inspection a record of the final votes of each member in every agency proceeding.

"(e) This section does not apply to matters that are—

"(1) specifically required by Executive order to be kept secret in the interest of the national defense or foreign policy;

"(2) related solely to the internal personnel rules and practices of an agency;

"(3) specifically exempted from disclosure by statute;

"(4) trade secrets and commercial or financial information obtained from a person and privileged or confidential;

"(5) inter-agency or intra-agency memorandums or letters which would not be available by law to a party other than an agency in litigation with the agency;

"(6) personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy;

"(7) investigatory files compiled for law enforcement purposes except to the extent available by law to a party other than an agency;

"(8) contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of an agency responsible for the regulation or supervision of financial institutions; or

"(9) geological and geophysical information and data, including maps, concerning wells.

"(f) This section does not authorize withholding of information or limit the availability of records to the public, except as specifically stated in this section. This section is not authority to withhold information from Congress."

Sec. 2. The analysis of chapter 5 of title 5, United States Code, is amended by striking out:

"552. Publication of information, rules, opinions, orders, and public records."

and inserting in place thereof:

"552. Public information; agency rules, opinions, orders, records, and proceedings."

Sec. 3. The Act of July 4, 1966 (Public Law 89-487, 80 Stat. 250), is repealed.

Sec. 4. This Act shall be effective July 4, 1967, or on the date of enactment, whichever is later.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAND TRANSFER TO MEMPHIS STATE UNIVERSITY

The Clerk called the bill (H.R. 4717) to authorize the conveyance of certain lands owned by the United States to the State of Tennessee for the use of Memphis State University, Memphis, Tenn.

There being no objection, the Clerk read the bill, as follows:

H.R. 4717

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of Veterans' Affairs is authorized and directed to convey, without consideration, to the State of Tennessee for the use of Memphis State University, Memphis, Tennessee, all right, title, and interest of the United States in and to that tract of land constituting the grounds of the Kennedy Veterans' Hospital in Memphis, Tennessee, including the improvements thereon, containing one hundred and forty-six acres, more or less, and being the same tract of land acquired by the United States for hospital purposes and paid for by the city of Memphis and county of Shelby, Tennessee, and which, upon completion of a new veterans' hospital presently under construction at another site in the city of Memphis, will be excess to the needs of the Veterans' Administration.

Sec. 2. (a) The conveyance authorized by the first section of this Act shall be made not later than December 31, 1970, and may be made at any time prior to such date if the Administrator of Veterans' Affairs determines that the property to be conveyed is no longer needed by the Veterans' Administration.

(b) The Administrator of Veterans' Affairs is authorized to convey any portion or portions of the tract referred to in the first section of this Act prior to the time that he determines that the entire tract is no longer needed by the Veterans' Administration, if

he determines that (1) such portion or portions are no longer needed by the Veterans' Administration, (2) the conveyance of such portion or portions will not interfere with activities of the Veterans' Administration still being carried out on the lands at the Veterans' Administration not yet conveyed, and (3) the conveyance of such portion or portions will facilitate the conversion of such property to educational uses by Memphis State University.

Sec. 3. Any deed of conveyance made pursuant to this Act shall contain such additional terms, conditions, reservations, easements, and restrictions as may be determined by the Administrator of Veterans' Affairs to be necessary to protect the interest of the United States.

Sec. 4. The property conveyed pursuant to this Act shall be used solely for educational purposes, and if such property is ever used for purposes other than educational purposes, title thereto shall revert to, and become the property of, the United States which shall have the right of immediate entry thereon.

Sec. 5. Memphis State University shall pay the cost of such surveys as may be necessary to determine the exact legal description of the real property to be conveyed and shall bear all other expenses in connection with the preparation and recording of the necessary legal documents.

Mr. SAYLOR. Mr. Speaker, the bill directs the Administrator of Veterans' Affairs to convey not later than December 31, 1970, without consideration, to the State of Tennessee for the use of Memphis State University, all right, title, and interest of the United States to a tract of land approximately 146 acres with improvements thereon which constitute the present Veterans' Administration hospital at Memphis, Tenn. This hospital is being replaced by a new structure which will be opened in the immediate future.

Other sections of the bill contain authority for such additional terms and conditions so as to fully protect the interest of the United States.

The then War Department, on August 26, 1946, transferred to the Veterans' Administration 146 acres and 121 buildings and structures which the Veterans' Administration presently operates as a 1,091-bed hospital.

An ownership map of the property, prepared by the Corps of Engineers in 1944, indicates that 129.06 acres were donated by the city of Memphis and 17.27 acres were acquired from private ownership.

The Veterans' Administration has no objection to the favorable consideration of the proposal and there would be no requirement for an additional appropriation to meet this proposed land transfer.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. EVERETT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks and include extraneous matter at this point in the Record on my bill, just passed.

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

There was no objection.

SUBCOMMITTEE NO. 5 OF THE SELECT COMMITTEE ON SMALL BUSINESS—PERMISSION TO SIT DURING GENERAL DEBATE APRIL 3, 4, AND 5

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that Subcommittee No. 5 of the Select Committee on Small Business may be permitted to sit during general debate on April 3, 4, and 5, while the House is in session.

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

There was no objection.

THE TRUTH ABOUT THE ELECTRIC CAR

Mr. RYAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. RYAN. Mr. Speaker, the Nation is faced with an air pollution crisis. A major share of our polluted air is credited to the gasoline engine automobile. One promising solution to this crucial problem is the development of an electric car. The March 20, 1967, edition of U.S. News & World Report has published a comprehensive report concerning the potential and feasibility of the electric car. I believe that the following report will be of great interest to my colleagues:

[From the U.S. News & World Report, Mar. 20, 1967]

THE TRUTH ABOUT THE ELECTRIC CAR

(A new flurry of interest is developing in the electric car. Detroit is talking about it. So is Washington. Many urge it as one answer to air pollution. Are electric cars really coming? When? This report gives the latest from men in position to know.)

Based on the best knowledge now available, these are the conclusions experts are reaching about the future of the electric car:

Small vehicles of very limited range and speed now are technically feasible. These would represent, however, only a modest improvement over electric golf carts.

Larger electric cars, comparable in size to small foreign automobiles of today, are on the drawing boards. Range and speed would be considerably extended. Success depends on results of present and future experiments.

Total replacement of the gasoline-operated internal-combustion engine is not expected. Even the most optimistic advocates of the electric cars see them primarily as a supplementary means of transportation, probably confined to urban and suburban driving.

The timetable for putting an electric car on the U.S. market may depend largely on governmental actions—both in the financial support of research and development and in legislation which might ban gasoline autos from certain areas because of noise, congestion and air pollution.

In spite of these limitations, time and money in increasing amounts are being spent in laboratories on both sides of the Atlantic in attempts to achieve a major breakthrough in the art of electric propulsion.

Pending in Congress are bills to authorize the Government to spend up to 10.5 million dollars in the next few years on electric-car research.

WHAT IS REALLY NEEDED?

A big breakthrough still is necessary. Running autos by electricity is not a new idea. At the start of this century, there were more electric than gasoline-powered cars. They disappeared because they could not compete in power, speed, range, convenience or price.

Electric cars still can't compete—and for the same reasons. But now there are engineers and industrialists who believe solutions for at least some of these problems are in sight.

"The electric car is coming," declares William J. Clapp, president of both the Florida Power Corporation and the Edison Electric Institute.

"I personally feel there will be an electric car for suburban use within five to 10 years," says Arjay R. Miller, president of the Ford Motor Company.

The enthusiasm of both Mr. Clapp and Mr. Miller stems from some recent developments in batteries.

Batteries have been a principal obstacle to any serious efforts to revive the electric car.

The conventional lead-acid storage battery, used to energize the electrical systems of today's vehicles, is not satisfactory as a power source to drive an automobile because of its low capacity. The early electric cars carried 4,000 pounds of lead-acid batteries, yet, achieved speeds of only 25 to 30 miles an hour on level ground and required recharging every 30 to 40 miles.

However, experimental work is in progress on a variety of new lightweight batteries, each capable, in theory, of far greater storage capacity than the lead-acid type.

Most advanced of the new types is the silver-zinc battery, originally developed for U.S. military and space programs. Yardney Electric Corporation of New York, which builds such batteries, says they have a storage capacity six to 10 times as great as a lead-acid battery of comparable weight.

PRESENT MODELS

Both Yardney and General Motors Corporation have experimental electric cars which operate on silver-zinc batteries. The Yardney Electric auto uses a converted Renault Dauphine body, a 7.2-horsepower motor and four batteries. The range is 77 miles when the car is driven at a constant 30 miles per hour. Top speed is said to be 55 miles per hour.

The General Motors electric car is the Electrova II. It uses a Chevrolet Corvair body, has ride, handling and acceleration characteristics equal to a conventional Corvair, but with a range of 40 to 80 miles.

Silver-zinc batteries have drawbacks, too. The basic problems: high cost and relatively limited life. The 13 batteries for the Electrova II cost a total of \$15,000 and must be replaced after 100 rechargings—less than a year of normal driving. They also fill the entire trunk compartment and make the electric version 800 pounds heavier than a gasoline-powered Corvair.

Yardney's president, Michel N. Yardney, suggests renting the silver in the batteries as one way to beat the cost. The silver can be reused indefinitely. Mr. Yardney estimates this method could bring the price of the batteries down to \$700 to \$900, plus a \$100 annual silver rental.

METAL-AIR METHOD

More promising for the mass market, in the view of some experts, is work being done by a number of companies in the U.S. and Britain on metal-air batteries.

The metal usually is zinc. Electrical energy is produced by converting the zinc to zinc oxide in a system that uses relatively common as well as low-cost materials.

Scientists say this type of battery could store and deliver five to seven times as much energy per pound as a lead-acid battery, with less deterioration and at modest cost.

George A. Hoffman, a research engineer with the Institute of Government and Public Affairs of the University of California at Los Angeles, calls the metal-air battery "the innovation that now makes the electric automobile thinkable."

General Atomic Division of General Dynamics Corporation, one of many firms involved in this research, has been working on zinc-air batteries in its San Diego, Calif., laboratories since 1960. Recently it tested two prototypes with energy-storage capacities of 7 and 14 kilowatt-hours. The next step is a battery of 50 to 150 kilowatt-hours, suitable as a power source for light trucks of 3,000 to 4,000 pounds. A prototype is scheduled for completion next year.

The Edison Electric Institute has participated with General Atomic in a 3-million-dollar project since 1964, and 14 investor-owned power companies contributed \$150,000 to the program in 1966.

Other manufacturers of batteries and fuel cells are pushing development of power plants for electric cars.

The Electric Storage Battery Company is now demonstrating a short-range electric car propelled by a conventional lead-acid storage battery. Leeson Moos Laboratories, a pioneer in the zinc-air battery field, says it hopes within two years to have developed a rechargeable zinc-air battery "that will fill the triple requirements of performance, cost and safety."

Union Carbide Corporation, General Electric Company and other major firms are stepping up the pace of their battery and fuel-cell work.

The view from Detroit. In Detroit, top managements of the major auto companies appear firmly wedded to the idea that the internal-combustion gasoline engine is both more efficient and less expensive than any other type of power source now on the horizon.

Chrysler Corporation's primary research on alternate power sources has centered on the gas-turbine engine, which remains an experimental project.

Recently, Chrysler officials reported it might prove possible to use a small turbine to provide constant charging for a battery-powered vehicle. Such plans, however, still are in the theoretical stage, the company said.

Despite its proved ability to build an operational electric car, GM publicly shows no intention of trying to market electric cars in the near future.

Edward N. Cole, a GM executive vice president, comments: "Major research-and-development programs lie ahead if such power systems are ever to become feasible for general use."

Solutions, says Mr. Cole, "are 20 years or more down the road."

Ford appears considerably more enthusiastic about electric propulsion—not as a replacement for today's cars in freeway driving, but for small urban and suburban vehicles. Ford has two electric-car projects under way. One, in conjunction with Ford of Britain, is a small "city car," only 6 feet long and designed to carry, at most, two adults and two children. Two prototypes of the "city car" are being built in England, with testing due late in the spring. The prototypes are designed to use conventional batteries, which means very limited range and speed.

Ford is much more excited over its longer-range project—development of a sodium-sulphur battery. Still in the test-tube stage, this battery produces current by combining sodium and sulphur ions with ceramic material as a conductor.

Ford scientists say materials for this battery are plentiful and cheap, that it could be recharged and infinite number of times and that the projected storage capacity is 15 times as great as a lead-acid battery.

Ford's timetable of five to 10 years for an

electric car, as outlined by the company's president, appears to be based on the sodium-sulphur battery. Ford scientists are aiming at a full-scale battery by the early 1970's. But Ford is not banking entirely on its own discoveries. In February, it signed a contract with Yardney Electric jointly to explore zinc-air batteries. One source says Ford also is watching the General Atomic work with "extreme interest."

Other hindrances. While batteries are the most immediate roadblock in development of electric cars, experts say other serious problems must be solved before electric cars could hope to replace or compete with today's automobiles. Two are motors and controls.

One Ford scientist put it this way:

"Today we must concentrate on the battery. But, if we had the battery, we would find that neither the electric motors nor the electronic controls now available would prove satisfactory."

Michael Ference, Jr., Ford's vice president for scientific research, adds:

"We are not interested in building a car that would operate like the old streetcars."

One Ford research program involves extremely small, lightweight electric motors. Another is concerned with tires and auto design and materials that would reduce wind and road resistance, thus extending the range of battery-powered vehicles.

"Cost exorbitant." Craig Marks, assistant engineer in charge of the power-development project at GM says 10 years of research went into the building of the Electroair II. His comment:

"We found there was a big difference between talking about electric cars in paper studies and actually building one. Putting it mildly, we found the costs exorbitant."

Mr. Cole said GM chose to build an electric with the performance levels of a Corvair "because any useful, safe family vehicle must be quick and maneuverable enough to hold its own in freeway traffic." He added:

"Electric cars in the performance range of golf carts or plant utility vehicles would be too dangerous for city driving unless they had exclusive slow lanes."

Ford officials privately criticize GM for what they maintain was a "transparent effort to discredit the feasibility of electric cars."

GM officials, in turn, claim Ford has no real appreciation of all the problems. "Wait until they try to build a car. Then their eyes really will be opened," comments one GM engineer.

Reaction in Washington. Despite Mr. Cole's warning that "you're not going to bring electric cars to the market simply by passing legislation requiring them," there is increasing agitation in Washington for some positive action on electric cars.

Joint hearings on electric-car research were set to start March 14 before the Senate Commerce Committee and the Public Works Subcommittee on Air and Water Pollution.

The chairman of the Commerce Committee, Senator Warren G. Magnuson (Dem.) of Washington, is sponsoring a bill which would authorize the newly formed Department of Transportation to spend 10.5 million dollars for research and development of vehicle power other than the internal-combustion engine. The Magnuson bill also would provide for design and testing of prototype models.

Senator Edmund S. Muskie (Dem.), of Maine, who is chairman of the Pollution Subcommittee, wants to authorize the Department of Health, Education and Welfare to spend 5 million dollars studying the development of a vehicular-power source that will not contribute to air pollution.

What is being done now. A 16-member panel of experts outside the Government was set up by the Commerce Department in January to study all aspects of problems con-

nected with automobile air pollution, including the role of the electric car.

The chairman of the group, Richard S. Morse, of the Massachusetts Institute of Technology, says "any and all alternatives"—such as batteries, steam, fuel cells and gas turbines—are being investigated. Mr. Morse expects to make his report late this summer.

Most of the legislative interest in electric vehicles stems from concern over air pollution. Senator Muskie says the automobile is responsible for as much as 80 to 90 per cent of the pollutants in the air over Los Angeles—where most emissions are rigidly controlled—and possibly 40 to 50 per cent in other sections of the country.

In Cleveland, officials estimate that autos, trucks, and buses discharge 41 tons of hydrocarbons, 478 tons of carbon monoxide and 23 tons of oxides of nitrogen into the air of the city's business district daily.

Ban on present autos? In California, one public official has called for an eventual ban on all gasoline-powered cars and trucks.

Frank M. Stead, chief of the division of environmental sanitation of the California public-health department, maintains the air in his State will become so polluted from other sources within 15 years that it won't be able to handle vehicle emissions. He adds:

"The only realistic way to bring about this historic kind of changeover [to electric power] on schedule is to demand it by law in the public interest; that is, to serve legal notice that after 1980 no gasoline-powered motor vehicles will be permitted to operate in California."

Effects on taxes. Conversion from gasoline to electricity on a national scale, authorities say, would force a massive revision in the tax structures of both the Federal and State governments. The Automobile Manufacturers Association and the Bureau of Public Roads estimate federal and State revenues from motor-fuel taxes totaled 7.6 billion dollars in 1966.

While electrically powered vehicles would be virtually emission-free, scientists caution that total conversion to electricity would not necessarily remove the air-pollution problem.

"Remember," says one Ford expert, "that the plan would be to recharge these cars from conventional electric-power outlets. This would increase the demand for electricity. And, since most power plants still are fueled by coal and are major air polluters, this would increase pollution by the power firms."

Mr. Clapp, of Florida Power, estimates that, if all trucks and cars now operated on batteries, they would need an additional 500 billion kilowatt-hours of electricity per year. That is half again as much as the total now generated in the United States.

Shifting to electric power in cars, in fact, would have impact on the whole economy, according to many authorities.

Says one economist:

"We are talking about an industry that, with related businesses—petroleum, chemical and others—accounts for 30 per cent of the nation's total output, or gross national product. So we need first to determine the problem and discover the facts."

Are there valid reasons, other than air pollution, for pushing electric-car research? Definitely "yes," say the electric-car enthusiasts.

How life would change. Mr. Hoffman, of UCLA, writes as follows in the October, 1966, issue of "Scientific American":

"We are so conditioned to the present automobile that it is difficult to imagine or appreciate what a change would be wrought in the quality of life by the switch to electricity."

"The roar of traffic in our communities might be reduced to a not-too-unpleasant hum (although tire noise would still be with us). The turn of a switch would start up our automobiles instantly, quietly, with full power and without cold-morning balkiness."

"Even traffic jams and red lights would be more bearable without the impatient and wasteful irritation of the idling engine. Breakdowns on the road would become far less common, as electric motors can run for thousands of hours without attention."

"We would ride in clean, sweet air even in tunnels (which would need much less artificial ventilation). In the course of time, the removal of the gasoline engine would make it possible for the automobile to evolve into a vehicle that could be much more suitable to the human body and nervous system."

Time factors. Mr. Hoffman, however, does not predict the overnight arrival of the electric cars, even after the technical difficulties are solved. He points out that it would take time to tool up factories to produce such cars by the millions, and that gasoline-powered vehicles would linger for a dozen years or so.

"Realistically," says Mr. Hoffman, "we must conclude that the internal-combustion, piston-engined automobile will continue to dominate our roads for the next 30 years or more."

"In the meantime, the arrival of the electric car—indeed, whether or not it arrives at all in this century—will depend on how much support is given to its development."

William T. Reid, energy-conversion specialist at the Columbus, Ohio, laboratories of Battelle Memorial Institute, says the power source for an electric vehicle should provide a range of at least 100 to 150 miles between recharging to assure the driver of adequate energy reserves.

Mr. Reid suggests that, once this range is achieved, the electric will find their greatest acceptance in cities.

In a paper prepared for the American Institute of Aeronautics and Astronautics, Mr. Reid declared:

"Urban driving, from home to the grocery, to school or church, or to work on city streets and in residential areas requires no 300-horsepower engine or tire-skidding acceleration."

"Except for occasional freeways, city speeds are restricted to 35 miles per hour in most municipalities. This is where the electric automobile will be ideal. With its lack of noise, its excellent stop-and-go characteristics, its freedom from mechanical complexities and, most importantly, its ability to operate without an air-polluting exhaust, the electric car becomes the obvious choice for city driving."

Since no U.S. manufacturer now builds electric passenger cars commercially, authentic estimates of cost are not available. Most experts suggest they probably would be more expensive than gas vehicles of comparable size—possibly as much as 25 per cent higher. Operating costs should be less.

Different opinion. One dissenter from the idea that the troubles facing the electric cars are mainly technical is Andrew Leparulo, assistant vice president of Yardney Electric.

As a marketing expert, Mr. Leparulo believes the chief roadblocks are marketing and investment problems—all of the things wrapped up in the tooling, distributing and promoting of what would be essentially a new car.

The four major U.S. auto companies spend a billion dollars or more annually to bring new models of conventional cars to market.

Mr. Leparulo says the quickest and simplest way to proceed with electric cars would be to involve the Government as a testing agency, substituting electric power in a large part of the federal fleet of 330,000 vehicles. This would provide data on the economics of using electric cars. Utilities should be natural for trying electric cars and trucks, he suggests. And then maybe taxis.

All of this would provide the information and experience needed to move into the consumer market.

A glance ahead. A highly optimistic forecast on the future of the electric car was

issued February 25 by the Federal Power Commission. It expects 1.5 to 2 million electric passenger cars to be in use in the U.S. by 1980, and 3 to 4 million by 1985. These would be primarily short-range vehicles.

An even rosier prediction came from Alan S. Boyd, Secretary of Transportation. He thinks most autos in urban areas will be powered by electricity 15 or 20 years from now.

Outlook in England. Optimism also is high in Britain, where 40,000 short-range electric trucks now operate. Officials of the Electricity Council of Great Britain suggest "tens of thousands" of electric cars probably will be sold in the next decade, although none can be bought yet.

The Electric Vehicle Association of Great Britain says there are perhaps 20 electric cars operating in England now. Most, if not all, are custom-built; some are of pre-World War II vintage.

Two prototypes of electric "mini-cars" have been demonstrated in Britain within the last year—the Scamp and the Trident. Suggested prices would run about \$990.

Peel Engineering, which makes the Trident, says it hopes to go into commercial production before the end of 1967, but has announced no firm plans.

W. G. Watson, chief engineer of Scottish Aviation of Prestwick, Scotland, which is developing the Scamp, reports his company remains undecided on its next steps. Says Mr. Watson:

"We're absolutely convinced electric cars will be very, very significant in urban areas at some stage in the future—perhaps in five to 10 years.

"If electric cars are going to be significant, some more development work is necessary—especially by component manufacturers, who are going to have to bring their prices down. A lot of companies are sitting back to see if there is something in electric cars, but would rather somebody else would do the pioneering."

Now: a size-up. This, then, would appear to sum up the present situation:

More companies are spending more money, time and effort today on trying to solve the problems of producing a practical electric car than probably at any time since Henry Ford and Thomas Edison gave up their attempt to build an electric Model T in 1915.

Laboratory results lend hope of at least some degree of technical success.

Solid accomplishments, however, are as yet quite limited.

One overriding question remains: If a satisfactory electric car is built, will enough people buy it to make it a commercial success?

For years, cars have been sold as something more than transportation. The emphasis is on power, luxury and pride of possession. Will the sports-car generation, bred on drag racing and noisy mufflers, accept a noiseless run-about with a top speed of 60?

TAKING A DRIVE IN AN ELECTRIC CAR

A staff member of "U.S. News & World Report" took a test drive in an electric-powered car. Here is his report:

NEW YORK.—Drive an electric car through New York City traffic, and you become convinced there is a future in this country for such an auto.

The test car, a modified Renault Dauphine powered by batteries created by the Yardney Electric Corporation, is easy to operate, has good pickup, is noiseless and odorless and can cruise at a speed of 45 miles an hour or more.

All you do to start is turn the ignition key, flip down a switch that resembles a light switch, and you're ready to go. Flip the switch up, and you have put the car into reverse. All this is done in complete silence, without the familiar starter whine.

Power is fed to the wheels by a foot pedal

of conventional appearance. There is an ordinary round steering wheel, not like the straight steering handles which were found on old-time electric cars.

Press the pedal gently, and the car creeps forward. Press down hard, and it surges ahead. One is reminded of the old electric streetcar: One moment the car is standing still, the next it is moving, all without a sound.

There is no gearshift. A click is heard as the car shifts from one speed to another.

Engineers say this sound will be eliminated once solid-state controls are perfected.

The ride is smooth, with the road feel of a conventional small car. Grades up to 15 degrees are taken with no trouble. Engineers note, however, that climbing hills uses up power somewhat faster.

Braking the car takes a bit more effort than on a gas-powered car. The reason, according to company experts: An electric motor does not slow the auto the way a gas-type vehicle does. The brakes do all the work on the electric.

Today's car, for experimental purposes, has a range of around 77 miles without recharge when it is driven at a steady 30 miles an hour. Later models, authorities say, should travel about 150 miles on a single charge.

The car can be plugged into electric circuits that now power gadgets in the house, and it can be recharged while you sleep.

Just plug it in, and get it ready for driving the next day.

Moving parts in the electric motor are few.

The power plant in the test car consists of four batteries, each the size of a battery in a gas-powered automobile, and an electric motor a little bigger than the one in a washing machine.

Company officials say there are still problems to be worked out, involving batteries, costs and other things.

Even so, one driver's conclusion is that a small electric car—silent, smokeless, simple in operation—might make a good "second car" for city use. Learning to handle it would be easy.

APPOINTMENT OF VICENTE T XIMENES TO EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

MR. DE LA GARZA. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

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

There was no objection.

MR. DE LA GARZA. Mr. Speaker, today the President of the United States appointed the Honorable Vicente T Ximenes, of New Mexico, to the Equal Employment Opportunity Commission. It is with great satisfaction that I most respectfully extend the sincere appreciation of many of the people concerned with this appointment to the President. It is for me a great satisfaction and a culmination of an endeavor which I started long ago, as I stated last year in a talk on the floor of the House of May 19, 1966:

Mr. Speaker, the people complain that there is no commissioner on the Equal Employment Opportunity Commission who knows the problems of the Southwest and the Spanish speaking people in the Southwest. That is true and I agree with it. . . .

They are asking for someone who knows the problems and can help that Commission to deal with those problems and no one can know those problems better than one who

has lived with them. Mr. Speaker, I respectfully request and ask the President of the United States and the Executive Branch of the government that at the earliest opportunity a person cognizant of the problems of the Spanish speaking people of the Southwest be placed on this Commission.

The President could have made no better choice than the Honorable Vicente T Ximenes, who was born in Floresville, Tex., but now lists his home as New Mexico; who was educated at the University of New Mexico where he received a B.A. degree in 1950 and a M.A. degree in 1951.

From 1939 to 1940 he was company clerk of the Civilian Conservation Corps in Floresville, Tex. In 1941-42, he was a teacher and principal in a Floresville, Tex., elementary school. After that he served for 5 years in the Army Air Force and was released in 1947 as a major. During his service he won the Distinguished Flying Cross. From 1951 to 1961 he served as a research economist and instructor at the University of New Mexico and from 1961 until 1964 as program economist at a U.S. AID mission in Ecuador. From there he came to join the staff of the Democratic National Committee and remained there until early 1965 when he accepted a position as assistant to the Inspector General of the Office of Economic Opportunity in Washington, D.C., where he served with distinction until he resigned that position to join the U.S. AID mission in Panama as assistant director for development planning. In 1966 Mr. Ximenes was promoted to his present position of Deputy Director of the U.S. Agency for International Development mission in Panama.

Once again, Mr. Speaker, we are very proud of President Johnson and the wise selection he has made of Vicente T Ximenes. We are fully aware of the great responsibility which will be placed on this young man as a member of this most important Commission—but we are nonetheless more fully aware of his tremendous capability to learn, the enormous amount of education both academic and in the field which he has at his disposal and above all, we are personally aware of the sincere and heartfelt desire which Mr. Ximenes has toward the service which he can render his country. We congratulate him on this very important assignment. We wish him well and we extend to him our sincere pledge of cooperation in the years to come.

HUSTLING HEREFORD TEXAS COW TOWN PULLS MANY NEW FACTORIES BY IGNORING THE RULES

MR. PRICE of Texas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

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

There was no objection.

MR. PRICE of Texas. Mr. Speaker, in these days of more Federal aid for most everything, it is refreshing to note that a small city in my district, Hereford, Tex., has been successful in a phenom-

enal industrial expansion through its own efforts.

The Wall Street Journal of March 24, 1967, featured Hereford's success in attracting new industry on its own through some rather unique and unusual procedures.

I include the front-page story carried by the Wall Street Journal on March 31 in the RECORD as an example of what one small town did for itself through the resourcefulness and energy of its own citizens:

HUSTLING HEREFORD—TEXAS COW TOWN PULLS MANY NEW FACTORIES BY IGNORING THE RULES—LETTERS FROM HIGH-SCHOOLERS, VISIT TO A SICKROOM HELP ATTRACT A SUGAR REFINERY—FIRMS FIND UNIONS, HIGH PAY
(By Dennis Farney)

HEREFORD, TEX.—This is a cow town on the make. So far, it has made out amazingly well.

In the city park a giant trash can which is shaped like the Lone Star State touts Hereford as the place where "industry and agriculture meet." And they literally do. White-faced cattle that gave the town its name graze beside spanking new plants that have pumped about 600 new jobs and \$10 million annually into the tiny town's economy within the past five years. More plants are on the way.

Hereford might seem to have no right to be so successful in hustling industry. The competition is fierce. Industrial development experts estimate that at least half of all the U.S. communities now actively wooing outside industry are towns of 15,000 population or less (Hereford boasts 12,568 citizens). And many competitors can offer a lot more than this little Texas Panhandle town.

Most competitors can give industry at least one of the following advantages: Low wage rates, low taxes or tax "holidays," limited union activity, bond financing to build plants, proximity to major markets and pleasant surroundings. Hereford dangles none of these lines.

AN OLD ARMY VERDICT

Its biggest new plant is unionized and wages average \$3.40 hourly. It gives no tax holidays and builds no plants with bond money. It is nowhere near any major urban market. The treeless high plains that stretch to the horizon are scorching in summer, freezing in winter, and ravaged by dust storms. An Army survey after the Civil War dismissed this whole area as "so barren that . . . it must always remain uninhabited by man and beast alike."

But Hereford has ignored all this and grown impressively anyway—thanks to canny cultivation of the assets it does have, incredible persistence sprinkled with sheer gall, and a lightning-like rush to open the door at the slightest tentative tap of opportunity. Its industrial development program is more a mad scramble than an orderly, planned effort. But it works.

The proof shows up everywhere. Since 1962 the town has landed 11 new industries, the principal prize being a \$23 million beet-sugar refinery built by Holly Sugar Corps. Population has increased 40%, and block after block of expensive new ranch-style homes are pushing out onto the plains. Bank deposits have risen 50%.

Main Street throbs with new vitality. Merchants are planting shrubs outside their stores, putting up colorful sunshades, and piping in music to put customers in a buying mood. Light planes shuttle in and out of the local airstrip, bringing engineers, developers and eager Easterners with money to spend. "I never thought we'd have to turn away capital, but it's come to that," gasps a local cattle feedlot operator.

STRONG AGRICULTURAL BASE

Much of this prosperity comes from new industry, and much of the new industry has come in because Hereford has been successful in building a strong agricultural base. The area sits atop an abundant supply of underground water, and irrigation has been highly developed. Consequently, farmers in these regions can grow rich crops on plains where rainfall is scanty indeed. Also, since 1956, a thriving cattle-feeding operation has been painstakingly expanded. About 150,000 head are fattened near here now.

These developments, in turn, have helped draw such industries as the beet-sugar operation, fertilizer-blending plants, livestock-feed manufacturers—and one company, Bravo Smokes Inc., which makes cigarettes out of lettuce leaves.

In drawing some of these plants Hereford has broken quite a few of the "rules" followed by many other towns scuffling for industry. It doesn't have an industrial park where outside firms can settle in easily, and its formal industrial development committee is moribund.

But it does have a handful of civic leaders who cooperate informally to land industry in whatever unconventional way seems best. They avoid the careful planning and study sessions recommended by industrial development experts, preferring immediate eyeball-to-eyeball confrontation with a possible prospect. And they don't seem to listen when the prospect says "no."

BAGGING THE REFINERY

Consider their pursuit of the sugar refinery. Old newspaper clips show that the town had longed for such an operation as far back as 1911. When the idea was revived in 1961, town boosters bolted into action. There was no research, no promotion planning—one week they were in Hereford, discussing the idea casually, and the next they were in Denver, pressing the proposal upon executives of American Crystal Sugar Co. Quickly and coolly, those executives picked the idea apart.

The chief obstacle, they explained, was the National Sugar Act. This law set domestic acreage allotments for sugar production, and there weren't any for the Hereford area. American Crystal suggested somewhat skeptically that Hereford change the law.

That's exactly what the town eventually helped to do—by spending about \$100,000 of local money contributed by civic leaders, enlisting just about everyone in Hereford in a two-year lobbying effort, and trying some ploys that would make a professional consultant shudder.

After Denver, the Hereford delegation went to Washington and was rebuffed again. "They just laughed at us," says Henry Sears, president of the First National Bank in Hereford. "Harold Cooley (then chairman of the House Agriculture Committee) told us: 'Boys, I sure admire your spunk but you'll never get the job done.'"

Mr. Sears and his friends saw that Hereford would have to neutralize almost-certain opposition to a change in the law from a combination of powerful interests, including foreign lobbyists, U.S. State Department officials and some sugar producers with a stake in the status quo. They helped do it by enlisting the support of farmers in other potential beet-sugar growing areas, a strategy mapped out by James Witherspoon, a Hereford attorney.

Mr. Witherspoon helped organize about 70 growers' associations in 10 states—each, he recalls fondly, "writing its Congressman and raising hell with him." A blizzard of letters issued from the Witherspoon law offices, too. No one was overlooked, not even Mrs. Evelyn Lincoln, personal secretary to the late John F. Kennedy (" . . . Please do not let our President overlook these facts . . .").

Spurred on by their teachers, the 650 stu-

dents of Hereford High School showered Congressmen and the President with 3,000 handwritten letters pleading for a change in the law. Mr. Witherspoon added another "persuader"—50-lb sacks of Hereford onions shipped to the President and to House committee chairmen. When he wasn't writing letters and shipping edibles, the attorney was in Washington, buttonholing the men with influence.

Months passed with no visible progress. But in 1962 Uncle Sam caved in—thanks largely to curtailment of sugar imports from Castro's Cuba as well as to the clamor from the growers' associations. In any event, a new sugar act was passed: The Hereford area got enough allotments to warrant construction of a beet-sugar refinery, and got a commitment from Holly to build one.

That company's chief executive officer, however, became seriously ill (he later died) and dictated a bedside memo canceling the commitment. Immediately, Mr. Sears flew up from Hereford, contacted the executive in his hospital room, and talked him into reinstating the proposed plant.

Things have been hopping in Hereford ever since it was built. The refinery puts about \$8 million a year into the local economy, and its beet-pulp byproducts, useful in cattle feed, have given an additional boost to the commercial feedlot business.

Some small towns have been successful in luring industry, only to find that the companies settling in have been too shaky financially to survive. Hereford has had no such trouble. Its list of corporate citizens and citizens-to-be reads like a roster of blue chips.

Besides Holly Sugar, there are Monsanto Co. and American Cyanamid Co., which operate fertilizer blending plants; W. R. Grace & Co., which has a subsidiary here making livestock feed; Allied Chemical Corp. and Swift & Co., which are building livestock feed facilities. Wilson & Co. has taken an option on a site for a possible meat-packing plant, and civic leaders are hopeful of landing a plant of a major baby food manufacturer. Just yesterday, Texas Meat Packers Inc. of Dallas agreed to buy a 25-acre site and says it plans to build a \$2 million slaughtering plant capable of processing 8,000 head a week.

Hereford has never attracted an industry that later failed. It had a close call when local investors pledged \$85,000 to Dolly Textiles Inc., a maker of girls' dresses originally based in Las Vegas, N.M. Dolly Textiles came to Hereford in 1964 and promptly posted a \$25,000 loss. But management has since been changed and the firm expects a net profit of roughly \$30,000 in the fiscal year ending next Thursday.

Bravo Smokes, by any measure the most unusual business in Hereford, is doing well, according to Puzant Torigian, its owner. It is making 1 million cigarettes a day now and plans to boost output to 10 million before the year is out. Mr. Torigian says Bravo will add six new curing plants (where the lettuce leaves are treated with enzymes in a process he invented) to its lone curing operation in Uvalde, Texas. He also has opened up new retail outlets in major cities.

TWO BRUSHOFFS, BUT THEN . . .

Hereford landed Bravo in typical fashion. When town leaders first got in touch with Mr. Torigian by letter in 1964 "he didn't even answer us," says W. T. Thompson, manager of the Chamber of Commerce. The town tried again in early 1965, but got the brush-off again. Mr. Torigian then said: "We believe our needs are too great for your town to afford. . . ."

After Hereford landed the Holly Sugar plant, however, and after local investors pledged more than \$100,000 in capital, Mr. Torigian allowed himself to be won over. Another big factor in Hereford's favor: The

lettuce crop grown in the area on irrigated land.

The aggressiveness shown by Hereford is being emulated by many other small towns now. Tracy, Calif., plans to mail 2,000 personal letters to "presidents and chairmen of firms of every description." Trenton, Ga., out-hustling competitors, brought in plants of the H. D. Lee Co. and the Hudson Wire Co.; townfolks pledged \$45,000 to attract the Lee plant, and just before a site selection team visited the town, "those people washed down the courthouse square," says an admiring observer.

Lisbon, Maine, rebounded from the stunning loss in 1964 of its two woolen mills, which provided a total of 1,100 jobs in a town of 5,700. Adding to Federal loans \$300,000 raised locally, the town built a new plant, bought one of the old mills, and leased the structures back to a textile finishing concern and an electronics components manufacturer.

GROWING PAINS FOR HEREFORD

Comparatively few small towns, however, have had the success Hereford has enjoyed. In some ways, though, the onrush of industry has been a mixed blessing; Hereford is suffering some growing pains. Since 1963 it has had to sell \$1.2 million in bonds to finance water and sewer extensions and street improvements. During the same period it sold school bond issues totaling \$2.4 million and built 88 new classrooms. Still, the schools have barely kept pace with increased enrollments and property taxes have risen.

And, inevitably perhaps, some friction has been noted between the natives and "outsiders." Mr. Torigian of Bravo Smokes, for example, has rubbed some Herefordites the wrong way. The local farmers and businessmen who made up his board of directors tended to view Bravo Smokes as a strictly local industry, and didn't entirely appreciate his plans for expanding from the company's base here into a national operation.

Thus, says one local observer, while Mr. Torigian, a friendly New Yorker of Armenian extraction, staged press conferences and mapped national sales strategy, "his directors were jumping him about plans to hang drapes in his office and install a new ladies' rest room."

BUYING OUT THE LOCALS

Outspoken and always in a hurry, the newcomer "tried to tell our bankers how to run their banks, our businessmen how to run their businesses—and for a while we didn't know if he could run his own," says a local businessman. Directors of Bravo finally began toying with the idea of undercutting Mr. Torigian by hiring a business manager. After several bitter meetings, Mr. Torigian bought out his local investors instead.

Today, the head of Bravo Smokes still smarts over the experience he has had and the chilly reception he still gets from many townfolks. "After all this time," he says, "not one—not one—of my neighbors has come over to say hello to me."

But the social climate is improving. Not long ago at a high school pep rally for the basketball team (the Whitefaces, naturally), students delighted Christine Torigian, 15, by abandoning the standard cheer to break into shouts of "Bravo! Bravo!"

DAMAGE CAUSED BY OUR AMBIGUOUS POLICIES

Mr. HAMMERSCHMIDT. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. FINDLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection

to the request of the gentleman from Arkansas?

There was no objection.

Mr. FINDLEY. Mr. Speaker, the reasons for America's deepening foreign policy problems were analyzed by an eminent expert, Dr. Robert Strausz-Hupe, director of the Foreign Policy Research Institute of the University of Pennsylvania, in an article published March 26 by the Philadelphia Inquirer. In it, he points to the disintegration of the Atlantic alliance and the basic reason for it—America's backward priorities—and calls for renewed effort to transform the alliance into a Western political union. I include the text of his article, together with an editorial comment on it published by the Inquirer:

REBUTTAL OF ROSTOW THESIS—U.S. FOREIGN POLICY—ALL-PERVASIVE AMBIGUITY?

Dr. Robert Strausz-Hupe is Director of the Foreign Policy Research Institute at the University of Pennsylvania, where he also is professor of political science. He edits *Orbis*, a quarterly journal of world affairs. He has been a professor at Penn since 1946, before which he was a special lecturer there. The article here was written as a response to one published in this section of *The Inquirer* on March 5, by Walt Whitman Rostow, special assistant to President Johnson. Rostow, the chief foreign policy expert in virtually daily consultation with Mr. Johnson on policies in Vietnam, outlined with detail the basis of the Johnson foreign policy. Strausz-Hupe here rebuts the assumptions and many of the implications of that policy.

(Strausz-Hupe was born in Vienna in 1903 and has lectured widely in Europe. His books include "The Balance of Tomorrow," "The Zone of Indifference," "Protracted Conflict" and "Building the Atlantic World.")

(By Robert Strausz-Hupe)

There are widespread doubts about how productive the day-to-day conduct of foreign policy of the Kennedy-Johnson administrations has been. There is no doubt whatsoever about its abundant production of words. It has coined a great many new terms; it has projected a great many new images, as, for example, "building bridges" towards Communist Europe and "steps" towards a "detente" with the Soviet Union. It is, however, excruciatingly difficult to pick from the avalanche of words, metaphors and "images" the fundamental premises which underly the Administration's foreign policy.

About these, the Administration has been notably reticent. In the following discussion I will seek to reduce the turgid flood of official statements to a limpid trickle of sensible propositions. These propositions must stand—at least until they are convincingly refuted by President Johnson.

THE ASSUMPTIONS

President Johnson appears to assume:

—That the Western Alliance has done its job; it has contained Communist aggression;

—That the Western Alliance is doing this job so well that the time has come to exploit its success by negotiating a global settlement with the Soviets;

—That the changes—political, social, economic and ideological—within the Communist world, signify a subsidence of Soviet aggressiveness: The Soviets have mellowed, look now at the world as we do, and subordinate their ideological principles to the idea of peaceful coexistence;

—That our interest in halting the arms race is shared by the Soviets, and that, hence, this mutual interest should be enshrined in arms reduction and arms control agreements, and that these agreements, in themselves, will be so many steps toward a detente;

—That the collaboration between the two great nuclear powers, the U.S. and the Soviet Union, especially in the field of the dissemination of nuclear technology, will guarantee world peace;

—That further military-technological breakthroughs are improbable, that the Soviets think or can be persuaded to think likewise, and that, hence, neither they nor we should keep on running, at immense expense, in order to keep ahead in the arms race;

—That the achievement of a detente and nuclear collaboration with the Soviets is the principal foreign policy objective to which our allies must defer, that is: The welfare of the Western Alliance as a whole and the aspirations of our individual allies must take a place second to a global settlement negotiated bilaterally between the U.S. and the Soviet Union.

NO AGREEMENT

These seven assumptions can be lumped under a comprehensive one: The Cold War has practically ended and we can live at peace with the leading Communist power.

Now, I do not agree with any of these assumptions, except the first one—and even this agreement is not unqualified: The Western Alliance did contain the Soviets in Europe, though not elsewhere.

As I see it the Western Alliance is not doing its job now. To the contrary, it is in a state of galloping disintegration. Hence, its bargaining power does not impress the Soviets whose main objective throughout the last 10 years has been the destruction of Western unity.

The Soviets are not looking at the world as we do and are making no bones about their abiding purpose, namely, to bury—with whatever shovels are most appropriate—"capitalist imperialism," to wit, us.

The political, social and economic changes that have occurred in the Soviet Union have strengthened rather than weakened the Communist power elite, and no statement has come out of the Soviet Union that, by one iota, modifies the ideological meaning of "peaceful coexistence" as a strategy for achieving the world revolution without fighting.

SOVIET EFFORTS

Plainly, the Soviets share neither President Johnson's interest in mutual arms reduction nor his belief that the military-technological stalemate cannot be broken.

Plainly, they are knocking their brains out to achieve strategic superiority over the U.S., U.S. strategic superiority having been the cement of the Western Alliance and the principal bulwark of world peace. They have deployed a massive anti-ballistic missile system for which we lack a counterpart. They are prepared to talk about halting the spread of nuclear weapons—and this for the simple reason that they do not have allies that either possess nuclear weapons or can acquire them without Soviet permission. For good measure, the Soviets do not intend to share their nuclear technology with anybody.

In brief, any nuclear nonproliferation agreement that the Soviets are willing to enter into with the United States can be concluded only at the expense of our Western Allies. If it is concluded, the current afflictions of the Western Alliance will culminate in its demise.

Our major European allies are disagreed on many things. They do agree on the radical reversal of U.S. foreign policy priorities: The U.S., as they see it, is interested, first and foremost, in the achievement of a detente with the Soviets and only then—and not very enthusiastically at that—in the restoration of Atlantic solidarity.

NO RESULTS

Thus far, this reversal has been barren of results; the Soviets have given us nothing

worth having; we have lost the confidence of some of our European allies and are rapidly losing the confidence of those that still stand by us. Notably, we have estranged Germany, the principal target of a Soviet propaganda and political warfare campaign mounted as lavishly as any Communist splinter campaign that, in the past, has assailed the solidarity and security of the West's free peoples.

Our European allies are now scurrying for individual accommodation with the Communist states. But, rather than wringing our hands about the Europeans' growing antagonism towards our country and about their headlong quest for Eastern markets on terms far more favorable than those they grant one another or anybody else, we should look at ourselves and ask ourselves as to whether we have not contributed to, and are not responsible for this development.

A long time ago—in the early 1950s—those who deemed the Western Alliance the cornerstone of U.S. foreign policy, argued that a military alliance that remains nothing but a military alliance would go the way of all historical military alliances: it would dissolve either because its members would no longer perceive the need for it, or because some members, wearied by the sacrifices required by the Alliance, would seek to make bilateral deals with the power against which the alliance had been concluded.

MOVING TARGET

Patience is not a virtue of democracies. Democracies can do many things; they cannot sit still. There are many things a totalitarian government like the Soviet cannot do; it can keep its people to its chosen course and impose patience upon it. All this was plain a long time ago.

Hence, the United States, leader of the Western Alliance, had only two alternatives: to let the alliance suffer the fate of all military alliances in history, namely dissolution, or to transform the Western military alliance into a Western political community. No country should have known better what these alternatives implied than the United States, which owes its existence to the successful transformation of a revolutionary military alliance into a political union.

As now can be seen and as, I believe, will be seen more clearly in the not-too-far-off future, the transformation of NATO into a political community should have been the principal objective of U.S. foreign policy—quite independent of the relative intensity of the Communist threat.

As a matter of fact, if the West were united politically, we would not need worry today as to whether the Soviets will agree or not agree on disarmament measures, or view the detente as we do or merely as a strategic ploy, or want to trade with us or would rather trade with us or would rather trade with somebody else, or are "mellowing" or are as tough as ever.

A West that is united politically would possess a military strategic superiority so overwhelming as to relegate the world revolutionary and power political ambitions of the Soviets forever to the dust bin of history.

Even W. W. Rostow, a principal architect of the Administration policy, concedes that "the great hopes for progress in East-West relations depend on the maintenance of an adequate, flexible, and integrated defense system in the West as well as on an imaginative approach to the East."

Faced by a politically united West, the Soviets would have no other choice but to accommodate themselves to the Free World.

Only thus could they satisfy the aspirations of their frustrated peoples. And to draw these frustrated people—with or without the consent of their rulers—into the community of the free peoples—this should be our second major objective.

In this sense, we should have been working on an even grander scale than that of

de Gaulle's vision: not a Europe from the Channel to the Urals, but a Western Community from the Urals westward beyond the Rockies.

THIRD WORLD

Such a community of the American-European peoples could not only insure for centuries to come its own property and security but also deal with the terrible problems of the third world and, in common, seek to further the peaceful political and economic development of the emergent nations. These terrible problems are likely to become more pressing because a disunited West, still pitted against an increasingly powerful Soviet Union, cannot gather its intellectual and material resources in that common effort which might cope with the mounting misery and violence of the third world.

In foreign affairs, even the wisest statesman can come to grief. Always, he faces many unknowns, and never does he control all the important factors of the international situation. President Johnson's freedom of choice has been severely limited by the decisions of his predecessor. It would be grossly unfair to take this Administration to task for seeking to achieve what all post-war administrations sought and failed to accomplish, namely a genuine, mutual relaxation of tensions. I do question its timing and sense of priorities and, particularly, its advocacy of measures which will frustrate the achievements of the "integrated defense system in the West."

LONE UMBRELLA

But, it is now argued by this Administration—specifically by its "defense intellectuals"—that European military power cannot and need not weigh in the global balance of nuclear deterrence—that, so to speak, this global balance is a U.S.-Soviet business in which no one else should mix. Hence, European aspirations to a share in nuclear weaponry or control of nuclear strategy should not be allowed to interfere with the bilateral U.S.-Soviet negotiations for disarmament or arms control agreements.

I will not enter here upon a discussion of the military-technical aspects of this argument.

Politically, this argument has already wrought havoc throughout the Western Alliance. It is tantamount to saying that the military alliance with Europe is no longer needed, and that it is up to us—and up to us alone—to decide how Western Europe is to be defended—if she is going to be defended at all.

I wonder how we would react to this proposition if it were we who would have to depend for our security on another nation's decision, however fervent that other nation's professions of its unconditional loyalty.

It is precisely the credibility of our pledge to defend Western Europe, even if that defense would risk all-out nuclear war, that de Gaulle has questioned. His skepticism on this score is being increasingly shared by Europeans, not all of whom are French. In the last resort, an alliance is based on mutual trust. The fact is that, in the bosom of the Western Alliance, this mutual trust no longer exists. It has been eroded by our attempt to reach, over the heads of our European allies, an agreement with the Soviets on keeping closed the nuclear club, and by our abandonment of various projects for sharing the control of the Western Alliance's nuclear strategy.

If I understand Mr. McNamara rightly, he argues that we can defend ourselves against a Soviet attack without the support of our European allies, and that, though our European allies cannot defend themselves without us, we can defend ourselves by our might alone.

KEY QUESTIONS

This is tantamount to saying that the military neutralization of Europe, if not the

estrangement of the Europeans from us, does not matter as long as it is compensated by the emergencies of a de facto U.S.-Soviet partnership in the business of keeping world peace, and by the "good will" of the Afro-Asians who frown on Western unity—the club of the white race and the rich.

Although this Administration couches this proposition in novel terms, it is by no means novel: it resuscitates that globalism which provided the ideological sanction for the foreign policies of the Roosevelt administration, especially for its accommodation to Soviet objectives in Europe and for its heavy investments in the United Nations.

There is not a shred of evidence showing that the alleged de facto U.S.-Soviet partnership in nuclear matters, if it does exist, will not dissolve even more quickly than have opportunist arrangements of this kind recorded by history. Here and now, a U.S.-Soviet nuclear partnership will give the Soviets an unparalleled opportunity to meddle in European affairs.

Does President Johnson really believe that the Soviets will abandon their primary objective, namely, the subversion and conquest of Western Europe, and will desist from seeking to fill, either by political or by military penetration, a power vacuum in Western Europe created by the withdrawal of American power and the failure of Europe to mount a credible nuclear deterrent of her own?

Does President Johnson really believe that the Europeans will content themselves forever with being a market for this country's produce, and will forever accept a permanent status of technological inferiority?

Does President Johnson really believe that we can gain the "good will" of the Afro-Asians by denying our European heritage and affinities?

President Johnson owes us forthright answers to these questions. Thus far, he has not given them. Hence, the all-pervasive ambiguity of his foreign policy—an ambiguity which saps this country's international prestige and, worse, its domestic concord. It is this ambiguity which weighs heavily upon the conduct of the war in Vietnam. This Administration presents this war to our people as if it were an Asian contest between an Asian people and some Asian aggressor, presumably an Asian communist aggressor, rather than what it has in fact become: Another and most critical round in the Cold War between the Free World and the Soviets.

SOVIET WAR

The Soviets provide the support of the North Vietnamese who would not fight us for more than a week without that support. It is the Soviets who have shifted their strategy of the indirect approach from Cuba to North Vietnam.

Yet this Administration steadfastly adheres to its priorities, namely, the quest for a detente with the Soviet Union via step-by-step agreements on arms control which can be concluded only at the expense of the Western Alliance.

The Soviets, in their own way, are quite candid. They have made their conditions for a detente quite clear; we must accept defeat in Vietnam and trade NATO for a nuclear nonproliferation agreement. If it is not that which they mean, then President Johnson should tell us so and reveal the unambiguous evidence supporting his interpretation of Soviet intentions.

No wonder that our people are confused, and that a large body of our public, especially our youth, is alienated from the national purpose. No wonder that a new generation of cynics is rising in this country.

On July 4th, 1962, in Independence Hall in Philadelphia, President Kennedy called for an Atlantic partnership and invoked for this endeavor the precedent of federation making which culminated in the creation of the

American Union. He professed his devotion to a high ideal: the unity of the Western peoples. What is left of this high ideal? What has President Johnson done to put substance into the professions of his predecessor?

HIGH IDEAL

The making of a Western Union is both a high ideal and the counsel of prudence. It is a purpose that we can accomplish by our own effort and the effort of our Western fellow-nations. Here and now, we can neither alter the Soviet purpose nor meet all the real or imaginary needs of the Afro-Asian peoples. A united West might be able to do both.

There is nothing predetermined about historical development. There is only one agency that changes history, namely political will. If we, the strongest Western Power, do not will Western unity, the West will continue its drift towards disintegration and, I predict ultimate defeat. If we do will it, there is still a chance that we can reverse the disastrous trends of the last few years.

As a people, we cannot will a foreign policy, if our Chief Magistrate does not state forthrightly the alternatives before us, establish goals and direct our resources towards the achievement of these goals.

It is he, first among men, who must be the living affirmation of the ideal of the community. And what is the ideal of the community if it is not doing great things in common—even at the risk of our security and comfort, if not our lives? We are living now in a world of illusions, part luxury utopia, part anarchic nightmare. Let us awaken to the grim realities of our international position and to the real opportunities that are within our grasp—if we have the will and the guts to grasp them.

TO BIND UP NATO'S WOUNDS

That more American attention to Western Europe's problems is not only due, but on the way, probably is borne out by Vice President Humphrey's present tour. Renewed interest was unequivocally urged by former Vice President Nixon upon his return, over the weekend from a lengthy European tour. The necessity also is evident as American troops and the North Atlantic Treaty Organization remove their last stick of furniture from France.

Dr. Robert Strausz-Hupe, director of the Foreign Policy Research Institute at the University of Pennsylvania, made abundantly clear in his article in the Today's World section of Sunday's Inquirer that the "galloping disintegration" of NATO is a crucial matter to us and the Free World, even though some segments of that world now disagree. Dr. Strausz-Hupe challenged any assumption that the Soviet threat to Western Europe has ended merely because it has become quiescent.

This newspaper has been thoroughly critical of French President Charles de Gaulle, who has been more destructive of NATO than any other single personage. Yet America itself is far from blameless in letting NATO lapse.

We have "gone over the head" of our Allies in talking disarmament to the Soviets; we have made our partners feel that they have become less valued even as they have been restored to national vigor. The Soviet Union has had partner-trouble, too, but this is no excuse for us to ignore the wounds in Western unity. Dr. Strausz-Hupe urges more efforts toward political union and they seem indicated, although the task is ever more difficult.

Whether or not President Johnson is definitely scheduling a visit to Europe later in the year—following up Vice President Humphrey's, as some reports have said—it would not be out of the way, we feel, for him to make such a trip if he is able. NATO directly needs a healing touch.

BANKING ADVENTURES OVERSEAS BY CCC

Mr. HAMMERSCHMIDT. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. FINDLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. FINDLEY. Mr. Speaker, in the March 13 issue of Barron's financial weekly, Shirley Scheibla recounts the little-known but wide-ranging overseas financial operations of the Commodity Credit Corporation, a Government-owned corporation operated within the U.S. Department of Agriculture.

It is apparent that the administration, thwarted by the so-called Findley amendment in its efforts to extend credit at subsidized rates to Communist countries trading with the enemy, has found a way to circumvent the clear will of Congress by expanding the overseas credit operations of the CCC.

Perhaps the possible loss of \$21 million when the Intra Bank of Beirut closed down will alert Congress to this newest of overseas banking adventures at taxpayers' expense. A thorough investigation of the CCC is in order.

Here is the text of the Barron's article:

LOOPHOLE OR RATHOLE?—CONGRESS SHOULD PROBE THE CCC'S EXPORT CREDIT SALES PROGRAM

(By Shirley Scheibla)

WASHINGTON.—The doors of Intra Bank of Beirut slammed shut five months ago, but worldwide repercussions are being felt even today. In this country, dazed officials seem shocked that the Commodity Credit Corp. holds \$21 million in letters of credit on the defunct Lebanese institution. Worse, CCC has no idea how much, if anything, the paper is worth. Naturally enough, Congress is beginning to wonder, too. CCC, after all, is supposed to support the price of agricultural commodities, and dispose of U.S. surpluses. What it was doing with Intra's letters of credit—and to what extent its financial soundness may have been impaired—remains a mystery which the agency, so far, hasn't adequately explained.

CCC'S FOREIGN POLICY

When it does, its answers to pointed questions from Capitol Hill are bound to range far and wide. For Intra Bank is only one of the questionable claims held by CCC against foreign banks, under its little-known Export Credit Sales Program. Not heretofore publicly disclosed are CCC claims of \$68.8 million against the Bank of Egypt and some good-sized loan agreements with Communist countries—\$50 million with Poland, \$10 million with Hungary and \$13.2 million with Czechoslovakia.

Moreover, CCC is negotiating right now with Yugoslavia, on a \$10 million line of credit for the purchase of wheat, wheat flour and rice. Once Administration policymakers approve additional credit sales, the agency expects to start new talks with the Tito regime. (Both deals would come atop a controversial one announced last month to sell Yugoslavia \$9.6 million of edible oils under Public Law 480—the farm-surplus disposal act.) All told, the agency expects to boost such outlays, currently amounting to \$250 million (and just \$124 million only six

months ago), to well over \$350 million in the next year.

Aside from the obvious financial risks, CCC's wheeling and dealing behind the Iron Curtain eventually may land the agency in political hot water. Thanks to the dust-up in Beirut, Congress is hearing about it for the first time. An amendment to PL 480, proposed by Rep. Paul Findley (R., Ill.) and recently enacted (after the edible-oils deal), forbids trade with any Communist states providing aid to North Vietnam. But CCC spokesmen are quick to explain that since their credit sales program is not covered by the law, they are free to do as they please. Trading with the Reds, they add, is consistent with the current Administration's "bridge building" policy.

The other side hopes so, too. "We want to continue our traditional trade with the U.S., which has been dealt such a shocking blow by the Findley Amendment," says Gavra Popovic, economic counselor in the Yugoslavian Embassy. "We must find a mutually acceptable means of doing so." Congressman Findley himself, upon learning of the scheme, bluntly called it nothing less than "a deliberate attempt to circumvent the will of Congress."

Until now, to be sure, the program has been restricted to commodities held in CCC inventory, plus tobacco covered by CCC loan. The agency, though, is drawing up a major new regulation under which it could purchase private stocks for export credit sales, of anything the agency may consider in excess supply. Exults one CCC lawyer: "There's virtually no limit to what we can do under this. We might even include frozen orange juice."

Clearly, it would give the agency unprecedented influence in world commodity markets. Already the program allows Uncle Sam to feed both friend and foe. In addition, CCC can supply the use of dollars for up to three years (or indefinitely, where it can't collect the debts). What's more, buyers get the advantage of export subsidies on such items as wheat, wheat flour, tobacco and rice. Yet sales under the program show up as pluses in the U.S. balance of payments—another count in its favor within the Administration.

UNKNOWN STATE

CCC officials admit, however, they're unable to make adequate investigations into the soundness of some of the foreign banks they've begun doing business with. As an aide told Barron's: "Once we decide to extend credit to such countries, we have no choice but to deal with a state bank, regardless of its condition." Last October, as it happens, the Bank of Egypt defaulted on a note due the U.S. Export-Import Bank. In the very same month, CCC accepted \$6.6 million worth of Bank of Egypt's letters of credit. It took another \$7.7 million the next month, \$9.4 million more in December and still another \$1 million in January 1967. At Eximbank, a highly placed source comments: "We'd have to be crazy to do more business with the Bank of Egypt. Now they're in default on \$2 million and haven't even paid interest." At CCC, they seem hardly alarmed.

Congressmen, as noted, are just becoming aware of all this, because the agency doesn't announce individual transactions under its Export Credit Sales Program. The current budget request gives no clues either, since CCC has chosen to use part of its \$14.5 billion borrowing authority rather than seek special appropriations for the program. Legally, the agency has been relying on its standing authority to dispose of surplus commodities—no matter how or where.

THERE WAS A TIME

The whole program got started in 1956, when CCC indeed was burdened by huge grain surpluses. Here's how the pattern

evolved. First an exporter had to obtain government approval of a contemplated sale, together with a bank letter of credit which covered it. The letter was used in lieu of cash to pay CCC for the necessary stocks. (CCC's price was at the export market level, as determined by CCC, and included the benefit of any export subsidy in force on those items.) The exporter then would sell for the best price he could get, enabling him to turn over his money quickly—and escape all liability for the credit arrangements. CCC looked to the bank rather than the foreign buyer for repayment.

The letters of credit were issued for a maximum of 36 months. Interest rates were based on those in the U.S., including CCC's cost of borrowing from the Treasury and even the Federal Reserve rediscount rate. Such terms were unusually generous, since it would be difficult (if not impossible) to find anyone else willing to extend credit on perishable commodities for so long a period. In addition, interest rates often were set far below those obtaining in the foreign buyer's own country.

For six years, while the Agriculture Department was all but giving away CCC surpluses under PL 480, the Export Credit Sales Program achieved no great magnitude; sales for the total period amounted to \$109 million. But in 1963, things began to pick up. Sales reached \$76 million that fiscal year, as disposals under PL 480 slackened off. By February 1965, after CCC inventories effectively had been reduced, the agency changed its regulations to let an exporter buy private stocks for delivery abroad. Instead of being paid by the foreign buyer the U.S. exporter, on furnishing proof of shipment, received from CCC a sales certificate which could be sold, or used to buy CCC stocks. The agency, for its part, was "paid" by letter of credit.

CCC previously had been accepting letters of credit only on U.S. banks. Now it considered any U.S. branch of a foreign bank, if supervised by New York State banking authorities, as the equivalent. (All CCC dealings with Intra Bank were through its New York branch, classified as a "U.S." bank.) Under any flag, however, banks willing to finance sales on Agriculture's scope were hard to find.

Just prior to February 1966, the Department asked Eximbank to finance the export of agricultural commodities, for dollars, on liberal credit terms of up to three years. The institution replied by saying that it lacked authority. An official recently explained that reasoning for Barron's:

"For the past three years, Congress has specified in the authorization bill for Eximbank that we may not do any business with Communist-dominated countries except as the President of the United States may determine in the national interest. The only Presidential determination the bank has had in the matter of agricultural commodities came from President Kennedy. He said we could insure or guarantee but not finance the sale of such commodities on commercial terms to Russia, Poland, Hungary, Czechoslovakia, Bulgaria and Rumania.

"The bank interprets 'commercial terms' to mean not more than 18 months and at least 25% in cash. Under such conditions we have guaranteed the sale of \$24.4 million worth of wheat, cotton, soybeans, soybean meal and dry milk to Hungary and \$4.2 million worth of tallow and cotton to Poland. For most countries we don't like to go over six months for perishable commodities because the collateral gets eaten."

ONWARD AND UPWARD

When CCC got the reply, an official recalls, "we explored whether Eximbank was able to do additional financing of the scope we wanted. After we found they were not, we went ahead with our own program." It was launched on February 22, 1966, through a new and highly significant—but little-noticed—regulation. The rule stated that

CCC would accept letters of credit from foreign banks, including even those without U.S. branches, provided (1) the interest rate was hiked one point above that for American banks and (2) an American bank guaranteed 10% of the commercial risk (but not the political risk) of the total amount. Actually, the latter "provision" could be waived.

The result: program sales zoomed to \$210 million for fiscal '66, and to \$250 million in the first half of fiscal 1967. (As noted, they are expected to exceed \$350 million next year.) Under the new regulation, CCC began accepting credits from banks in Japan, the Netherlands, West Germany, Greece, Italy, Korea, Lebanon, Morocco, Switzerland, Syria, Thailand and Tunisia, as well as the aforementioned letters from banks in the United Arab Republic, Poland, Czechoslovakia and Hungary. The regulation also provides a basis for present negotiations with Yugoslavia.

HAIL NASSER?

As puzzling as any are the deals with Bank of Egypt. According to a CCC official, the National Advisory Council on International Monetary and Financial Problems "made the decision" to export commodities to the UAR, and "once this decision was made, we had no alternative but to accept the letters from the Bank of Egypt." According to a spokesman for that "advisory" council, however, it does not originate policy and expresses no opinion on the legality of proposals. It rules only on whether agency proposals are "in line with policy" of the national Administration. On this basis, it offered no objection last year to the proposed \$70 million line of credit with Bank of Egypt. CCC went ahead as though it had carte blanche.

"NOT PUBLIC DOMAIN"

In summary, CCC's recent program transactions with the UAR are shown in the accompanying table. These figures, it should be noted, were given to Barron's by CCC. The State Department is much more closed-mouth. After the New York Times, in a recent report, noted that UAR President Nasser threatened not to pay his country's debts to the U.S., Foggy Bottom was besieged with inquiries about the size of that debt. The official figure put out by State was \$169.2 million. However, when asked for a breakdown (showing under what programs which claims

were acquired), State shot back: "That information is not in the public domain."

How about those deals with the Iron Curtain countries? The \$50 million to Poland is for three years at 7 percent. Half is for cotton and tobacco, calling for annual payments of accrued interest, plus a lump-sum payment of the entire principal after three years. The rest is for feed grains, rice, and barley (30,000 tons only), with payment of both principal and interest in equal annual installments. Hungary's \$10 million, running for three years at 7 percent, is for wheat, feed grains, cotton and tobacco. Equal annual payments of principal and interest are required. The \$13.2 million for Czechoslovakia, finally, is for grain sorghums, and has the same repayment terms. Meanwhile, NAC recently gave the nod to the follow-on \$10 million for Yugoslavia; a CCC request for advice on an additional amount now is pending. CCC officials say the interest rate will be around 7 percent.

What comes next in CCC's bridge-building? By the end of this month, officials hope to issue their new regulation, permitting the agency to purchase private stocks for export credit sales. This would eliminate the need to tie the program to CCC's own stocks—currently, upland and extra-long-staple cotton, milled and brown rice, corn, cornmeal, barley, oats, rye, grain sorghums, wheat, wheat flour, bulgur, tobacco, cottonseed oil, soybean oil, nonfat dry milk, cheese and butter.

SECTION 4

The authority is based on Section 4 of PL 808, enacted last November, which states: "Commercial sales of agricultural commodities out of private stocks on credit terms of not to exceed three years may be financed by Commodity Credit Corp. under its Export Credit Sales Program. There are hereby authorized to be appropriated such sums as may be necessary to reimburse the Commodity Credit Corp. annually for its actual costs incurred or to be incurred under its Export Credit Sales Program."

So far CCC has not sought an appropriation for the program. Undoubtedly, that explains why most members of Congress seem unaware of it. With its \$14.5 billion of untapped borrowing authority, the agency says it really may not need to ask for specific Congressional approval. Without it, they've already managed to go pretty far afield.

Value, United Arab Republic letters of credit accepted by CCC

Month accepted	Wheat flour, 36 months ¹	Wheat, 36 months ¹	Tobacco, 36 months ¹	Edible oil, 12 months
June 1966.....	\$3,162,545	\$4,393,512	\$2,182,039	\$2,426,800
July.....	6,697,743	6,956,895		
August.....		5,644,550		791,354
September.....	11,874,046	6,588,484		
October.....		5,314,254		2,375,821
November.....		7,127,300		2,246,020
December.....		1,076,344		
January 1967.....				
Total.....	15,036,591	43,799,083	2,182,039	7,839,975
Grand total.....		68,857,689		

¹ Repayable in 3 annual equal installments of principal and interest. Most carry a 7-percent interest rate.

PROBLEMS CREATED BY CULTURAL DIFFERENCES IN THE CUSTOMARY USE OF WORDS

Mr. HAMMERSCHMIDT. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. MORSE] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. MORSE of Massachusetts. Mr.

Speaker, the importance of channels of communication in the building of international understanding has often been stated, but I have rarely seen a better exposition of this point than the address by Luis M. Farias before the Annual Conference of United Press International last September. Senor Farias, who is the head of the Mexican agency responsible for the promotion of tourism highlights not only the institutional means of communication—namely, the mass media—but the importance of language as an instrument of communication. He

particularly stresses the problems created by cultural differences in the customary use of words.

Because of the significance of Senor Farias' remarks I ask unanimous consent to insert them in the CONGRESSIONAL RECORD.

REMARKS BY LUIS M. FARIAS AT THE INAUGURAL SESSION OF THE SEVENTH ANNUAL CONFERENCE OF UNITED PRESS INTERNATIONAL, SEPTEMBER 26, 1966

Yours is a very important business. It carries a grave responsibility, You represent the traditional and most accepted means of communication in modern times.

You tell the world what is happening and what those happenings mean to each nation and to each man.

It is being factual and objective that you gain respect and establish faith. Any error, any misinterpretation can have unfortunate consequences.

Language is your form of communication. Words, written words are your trade. The meaning of words, therefore, has, in your profession, a great significance, an enormous weight.

But it so happens that words do not have the same meaning to different people, and here the problem lies.

The meaning of words is relative. There are not only differences in essence, but also of shade.

I know you are honest and hard working Professionals. Yet mistakes are not uncommon in newspapers, because of semantics and also due to the pressure of time. In order to meet deadlines most of your work must be done in haste.

It is not always possible to check facts or evaluate their meaning. Not always does one encounter unbiased and accurate reporting.

The interpretation by commentators must also be done in a rush, without sufficient time for solid thinking. Experience, knowledge of background do help to supplement actual profound thinking, but, even so, frequently commentaries are shallow or inaccurate.

Those are some of the problems and imperfections of the press.

An effort to solve those problems is to be desired, since good communications, mean good information, which in turn promotes understanding; and this is the only sound basis for peace and good will among men and among nations.

An old editorial of the Saturday Review of Literature in 1941 said: "Upon the ability to translate ideas and political policies into terms that have the same meaning to all who use them depends the outcome of the peace of the world for all time." (Quoted by Mario Pei in his "The Story of Language".)

What gives significance to language is meaningful communication.

Differences in semantics, mistakes in translation, create what scientists call "loud noises" in the line of communications and impede intelligibility, allowing error to creep in.

And since the whole idea of communications is to provide information, by such "noises" or distortions you may be misinforming your readers instead of delivering information.

It is because of all this that the study of meaning of words, not only as symbols, but for what they stand for is of great importance. H. R. Huse puts it very clearly by saying: "Understanding does not come through dealing with words alone, but rather with the things for which they stand. Dictionary definitions permit us to hide from ourselves and others the extent of our ignorance." (Quoted by Hayakawa in his "Language in Thought and Action").

Words vary in their meaning for people of different social or cultural background

and also with the passing of time, for language is a living body.

We could cite many examples. Let us mention, within the barriers of the English language, one very common word: *corn*. Corn to Northamericans is maize; to Englishmen it is wheat; and to a Scot it is oats.

Perhaps that is why George Bernard Shaw said that: "England and America are two countries separated by the same language".

And again in the course of time words vary in meaning.

As Hayakawa points out "... looking under a 'hood' we should have found five hundred years ago a monk, today we find a motor car engine." Before 1921 the word "broadcast" meant "to scatter seeds or the like"; today everybody understands by it the dissemination of audible messages over the radio or television. Propaganda meant until recently any organized spreading of news or opinions, specially of religious content; nowadays in the United States, at least, it connotes the dissemination of foreign or exotic negative doctrines.

These are but a few of a large number of possible examples to illustrate the importance of semantics, as well as the difficult task writers and editors have.

Language is a vehicle that can carry with the same ease love or hatred, peace or war. It is the duty of earnest newspapermen to make the best use of it when set into print.

But if there are differences in the meaning of words in any given language, the relativity of meaning becomes more evident still, when we pass from one language to another due to the variety of cultural and historic backgrounds.

Mario Pei says in "The Story of Language": "... "reading works of literature in translation fails to convey the beauty, charm, etc., of the original ... It is probably that the areas of semantic correspondence fail to coincide, even approximately, in any two languages".

I can think of some Spanish words that have no translation into English, take: "simpático" and "antipático" or the Portuguese word "saudade".

But even words that have direct translations and have the same common origin in a third tongue, vary in significance and meaning. In Mexico by Revolution, when we speak of ours that began in 1910, we mean "a permanent task to open new roads and opportunities for all, as a continuous growth and progress with renewed ideals. A state of mind bent on progress."

Yet to the American mind, until recently, revolution meant only violence, shooting and conspiracy.

Now, thanks to a better communion between our countries and the frequent mention of your own revolution for Independence, the word has regained prestige.

The word "leftist" to a Mexican connotes a person who desires the betterment of living conditions of the poor, a social-minded person. To many an American it means a card-carrying communist.

And even the word communist during the French Revolution did not have the meaning it has today.

So you see that the semantics of political terms has a tremendous importance if one is to avoid unhappy misinterpretations. The fact is that some words require not only a translation but a full definition accompanied by explanatory notes.

On political reports, you should let the correspondent in the nation of origin, make those notes to avoid such momentous mistakes.

But, unfortunately, it is human nature to disdain other nations and other languages.

Pride in one's own tongue is not exclusive to any particular nation. Each one considers its tongue the best if not the only proper way to express concepts.

Yet all languages fill their purpose. All nations deserve attention. All human beings

are essentially alike, since we all have the same desires, aspirations and dreams. We all want a better standard of living, we all wish well for our children, we all love and crave for peace.

From this fact stems the importance of travel, people need to know that others are alike, and through travel discover it. That is why we can say that tourism is a road to peace.

But for those who do not travel you must supply a substitute.

You can help the cause of peace by presenting these facts to your millions of readers. You can foster understanding by underlining the positive, and by presenting fairly the conflicting points of view of any issue under discussion.

Most conflicts are born from words used in an equivocal sense. But mainly you can strengthen the bonds of human solidarity by reporting the efforts exerted by peoples all over the world to conquer their real enemies: poverty, ignorance and poor health.

Yet, what commonly gets into print in relation to foreign countries? What is considered newsworthy?—To many a hard-boiled editor only crime, sex, political upheavals and earthquakes.

Speaking of earthquakes, here is a little anecdote to illustrate the point—

When in 1957 we suffered a rather violent quake in which we had 51 casualties, a paper in San Francisco—since that beautiful city is earthquake-conscious—brought out extras on a Sunday afternoon. Their headlines based on reports from their own correspondent in Mexico began by reporting 200 dead, then 300. The toll kept growing with each new extra. Until finally that night their final, in a classic row-back, headlined: "Mexico City Quake Death Toll Shrinks to 51," based on a wire service dispatch.

Mexico is a typical example of the lack of interest accorded foreign countries by the U.S. press.

Here we are, right next to you, your southern neighbor. A country of good size with 761,600 square miles; a population of over 40 million; where your countrymen have invested over a billion dollars; that is visited by a million Americans a year; a country that sends to yours 383 thousand visitors; that buys from you a little more than a billion dollars a year—making it number five in order of importance as buyer; a country where over 27 thousand Americans live permanently; and the original father-land of millions of your nationals today.

Yet, how much of its news gets into print in the United States?

I spent the first 15 days of this month in one of your major cities. Only three items were published about Mexico during that period.

On the second of the month a good-sized piece reported our President's State of the Union Message before Congress. Yes, but on page 12 of section 3, almost hidden by surrounding advertisements.

Then on the 12th, a syndicated column carried a friendly comment on the same presidential message. And finally two days afterwards, lost in the inner pages, there was a very brief item saying: "It has continued to rain in Mexico City." When that same paper had first said it was raining in Mexico, I don't know.

Mexico is a country worth exploring.

We have been living and working in peace for almost four decades. Our money is stable. Our gross national product more than 19 million dollars and growing at a firm rate of 6% annually.

We produce 2 and a half million long tons of steel; more than 4 million long tons of cement; well over 132 million barrels of oil; approximately 2 million tons of wheat; 8 million tons of corn; 2 and a half million bales of cotton; and almost 3 million bags of coffee.

We have over 37 thousand miles of roads, of which 20 thousand are paved.

Our production of electricity, removing from the dark ages small communities all over the territory and promoting industrialization is now 5 million 700 thousand KW in installations, and production and consumption is in the order of 20 billion KW hours. The increase last year in relation to the previous one was 10.6%.

Industrial output shows a steady growth.

And, with regard to education, our main concern, we have 7 million 400 thousand children in grammar schools; a new classroom is built every 48 minutes, and 14 million pesos a day go into education, that is to say, 25.74% of the Federal budget.

We know we have lacks and needs but we strive to eliminate them. When we fill one gap, we discover another; just as in the case of a growing boy.

His feet are too large so you get him a new pair of shoes, only to find out that his pants are too short, and just a little afterwards you notice his shirt doesn't fit. And, finally, when you get him pants and shirt that fit him, you discover his feet have grown again.

So it is with a country when it starts to grow.

You might ask: Why don't you do everything needed at the same time? To do that, I'll have to answer: for the same reason a family cannot always buy a full outfit for its boy. The main thing is to keep working and growing.

We are proud of our political stability and our way of life.

One frequently reads in the American press opinions critical of our political institutions.

To many Americans Democracy is the System they practice and nothing else.

Let me point out right now that not everything that is not an exact copy of Anglo-American democracy is necessarily undemocratic. Democracy has many forms; each country adapts it to its needs and background.

The writers of your—for many reasons—admirable Constitution did not invent democracy; they adapted respected old theories to your needs.

The goals and essence of democracy were defined by Lincoln in his immortal Gettysburg Address. By cherishing and fulfilling those goals you practice democracy.

I presented these views to a learned gathering in San Diego several years ago. Now I am happy to read that the International Commission of Jurists, a consultative organ of UNESCO, in its meeting held at Bangkok last year decided that democracy has several forms and that the way to recognize it as such, is by observing the following requisites:

1. Freedom to hold periodic elections.
2. Freedom of speech and press.
3. Freedom to establish political parties, and
4. A written Constitution.

How true—without elections you cannot have a representative government, and they should be held at fixed periods, so that the people may reorient or ratify the policies of the government.

Without freedom of expression, the democracy languishes and perishes.

Without the existence of political parties democracy fades and decays for they, in expressing their opinions, in criticizing the party in power help to strengthen the body-politic, avoiding abuse and excess of power.

Without a written Constitution it is difficult to establish a permanent form of Government, or to apprise citizens of their rights.

So you see, many countries besides the United States practice and love democracy.

Our own democracy is, in its present form, a product of the social Revolution begun in 1910 by Madero. This continuous effort of the Revolution has helped us not only to

find democracy and progress, but also to find ourselves.

Before the Revolution we copied, we imitated. In poetry we copied the French—in painting and sculpture, the Italians and Spaniards—in politics we were a mock imitation of enlightened despotism. Now we have found a voice to express ourselves and it is our own.

We no longer are an echo or a shadow. We dream, yes, but while awake, we dream only of improving ourselves.

This is our motto:—to dream of ourselves as we are but only better; and by dreaming and working to convert our dreams into reality.

AMERICA'S "RED GUARD"— PART 1

Mr. HAMMERSCHMIDT. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. ASHBROOK] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. ASHBROOK. Mr. Speaker, the New York Daily News recently presented a very timely two-part series on the "new left" movement and the part it seeks to play in the forthcoming Vietnam Week program. Written by George Nobbe, the series serves as a forewarning to those who might possibly view the Vietnam Week demonstrations of April 8 to 15 as an honest means of protesting our present policy in Vietnam. As I have pointed out elsewhere, the House Committee on Un-American Activities has warned that Communist Party members are the principal organizing force behind the Vietnam Week demonstrations.

The New York Daily News, and Mr. Nobbe in particular, are to be commended for shedding needed light on the nature of this effort which will culminate with demonstrations in New York City and San Francisco on April 15. I insert part 1 of the series entitled "U.S. 'Red Guard' Ready on Left" from the March 19, 1967, issue of the News at this point in the RECORD:

U.S. "RED GUARD" READY ON LEFT

Young American Communists and their "New Left" sympathizers are organizing what could be the biggest and brassiest demonstration against our Vietnam policy ever staged in this country. The action starts in three weeks. Now, before the peacenik paraders hit the streets of San Francisco and New York, the Sunday News presents this two-part series on who these anti-war demonstrators are, their leadership, financing and political leanings.

(By George Nobbe)

In dingy, cubbyhole headquarters from New York to Chicago and San Francisco as well as on about 60 college campuses across the country, clusters of militant young "New Leftists" are planning what they hope will be the biggest, noisiest, most disruptive "protest for peace" of all.

Egged on by an inflammatory barrage of propaganda that calls the Secretary of Defense "a maniac" and the President a "tool of big business combines who get rich on the Vietnam war while innocents die," they plan to take to the streets the week of April 8.

Massive mobs of placard-carrying political radicals are expected to descend on United Nations headquarters here and the Cow

Palace in San Francisco, birthplace of the UN, when "Vietnam Week" ends a week later.

But the almost fanatical peacelovers, representative of the whole leftwing political spectrum from Communists to moderate Socialists, don't intend to stop there.

Optimists in the movement hope as many as 500,000 students will picket draft boards, military installations and companies which manufacture any product remotely connected with the war effort.

Also on the disruptive agenda, designed to attack U.S. foreign policy, are sit-ins, parades, motorcades, teach-ins, student strikes and "war crimes tribunals."

Convinced that the American political and social structure is rotting from within, the leftists have flooded college campuses for weeks with reams of mimeographed appeals for participation, and have dug deep for the cash to send activist speakers into dozens of college towns.

More than 50,000 pledge cards have been printed, a small fortune has been spent on anti-war buttons, and special trains and buses have been chartered to pour students into New York and San Francisco.

Operational charts splitting the country into east and west, with Chicago as dividing line, have been drawn up. Students west of Chicago will go to San Francisco and those east of it to New York.

Fund-raising parties and folk song concerts are being held to raise money, and publications with such names as "The Student Mobilizer," "Activist," and "Dimensions" have appeared in recent months to help the movement gain momentum.

Plans for the April demonstrations, left here largely by the militantly left-wing W.E.B. DuBois Clubs, were first proposed at an organizational conference at the University of Chicago last December.

There for the sessions, at which DuBois members reportedly played key roles, were representatives of such leftist splinter groups as Students for a Democratic Society; the pro-Red Chinese Progressive Labor Party; the Trotskyite Socialist Workers Party and its youth arm, the Young Socialist Alliance; Youth Against War and Fascism, and the civil-rights-oriented Student Nonviolent Coordinating Committee.

What alarms so many people, who otherwise have no quarrel with the right of dissent, is that about 200 hard-core Communists are known to have attended the meetings. It is they who are believed to have been instrumental in mapping plans for Vietnam Week.

SELF-STYLED RED

For instance, Bettina Aptheker, a DuBois Clubs founder and self-proclaimed Communist, is generally credited with the idea of zeroing in on the UN although her nationwide student strike idea was scrapped.

And though DuBois Clubs members, traditionally close-mouthed, modestly deny full credit for the April plans, it is apparent that they have taken charge of the East Coast arrangements, earnestly grinding out promotional leaflets and exhorting the faithful to follow them.

Politically speaking, they are something of an oddity. Nationally, they have barely 5,000 members in about 50 to 60 college campuses and slum sections of larger cities. But in just three years they have acquired a reputation as one of the noisiest bands of anti-war believers in the country.

Founded on the West Coast in 1964, they have also acquired such a leftist tinge that the government has labeled them a Communist front and is still trying to compel them to register as such.

Harassed by the McCarran Act, beset by the House Un-American Activities Committee, beleaguered by the Subversive Activities Control Board, infiltrated by the FBI and bombed at least once by unappreciative

right wingers, the dedicated DuBoisers are probably lucky to have survived at all.

In New York, almost 700 dues-paying members have become so gun-shy in recent months that when they moved out of their old quarters at 160 Fifth Ave. on Jan. 31 they didn't leave a forwarding address.

Though they don't advertise it and, in fact, take some pains to conceal it, DuBois club offices now are on the third-floor of a loft building at 862 Sixth Ave., little more than four blocks from Communist Party headquarters.

That, too, is an affiliation the DuBoisers would just as soon not discuss, although here as elsewhere they vehemently deny that they are financed by the party even if some of their members do belong to it. It is true that a DuBois Clubs application form does not ask about political affiliations, and that its members just don't care as long as your views on social reform conform to theirs.

Club income is a matter of some conjecture; the standard Washington joke about the DuBois Clubs is that, like the KKK, the only members not behind in their dues are FBI informers.

Club spokesmen insist that they pay the rent—along with considerable organizing, recruiting and printing expenses and travel costs out of dues, which average about a dollar a month. Occasional parties, concerts and donations, members say, pay the rest of the bills.

With the costly travels of Miss Aptheker and the national chairman, Franklin Alexander, a native Californian who works out of the main office in Chicago, this is difficult to believe.

Though it isn't generally acknowledged, the national office is known to have a number of well-heeled angels around the country who agree—privately—with the club's dim views of U.S. society and the national policies, foreign and domestic.

But who are these people, how did the organization start, where is it going and what does it want?

VIEWS VARY

The answers vary, depending upon whom you talk to and whom you believe. About all that anybody really agrees on is the date and place of the club's founding and the identity of the man for whom it was named.

William Edward Burghardt DuBois, a lively Negro scholar with a goatee, pince-nez, and an ever-present cane, was one of the five original incorporators of the NAACP in 1911.

A noted historian, sociologist and educator who wrote more than 20 books, he broke with the organization in 1948 and drifted into a number of left-wing causes.

Even so, it came as something of a surprise when in 1961, at 93, he abruptly announced that he had joined the Communist Party because he felt that "capitalism cannot reform itself; it is doomed to self-destruction."

Two years later, he died in Ghana, where he had been working on a still uncompleted Negro encyclopedia, leaving friends and foes alike to wonder whether he was really a dyed-in-the-wool Communist or a senile figure trying to attract attention.

To the people who founded the DuBois Clubs in his name in the summer of 1964, it didn't matter. To them, DuBois was "one of the greatest Americans of all time . . . [who] fought for the rights of American Negroes and for peace and justice for all men," as one recruiting folder says.

To American security experts, who watched as 500 delegates gathered in California to found the national DuBois Clubs, the old man seemed to be merely someone whose background was ideally suited to be memorialized by left-wing youth group.

A Negro, an educator and an idealist, DuBois was tailor-made as a martyred victim of imperialism, and his name was a sure-fire drawing card to attract new party members

to a youth group that could replace such defunct groups as the old Young Communist League, American Youth for Democracy or the Labor Youth League.

So, with Daniel Rubin, Communist Party youth director, not far away, and Gus Hall, long an American Red leader, in advisory role, the W.E.B. DuBois Clubs of America were born.

They adopted a utopian slogan that proudly proclaimed, without saying how they were going to achieve it, that they stood for "peace, for jobs, for freedom: a new America and a better world."

Their circular emblem is emblazoned with two hands, one white, one black, reaching toward each other beneath a black and white dove.

And despite the bombs, the brawls and the arrests that beset them, the clubs grew so rapidly that Hall said last summer in an interview with the Soviet youth publication *Komsomolskaya Pravda*:

"Our party is the main force in the left-wing movement, it is the most influential among the left-wing groups and among the youths. Naturally, the closest ties we have are with the DuBois Clubs, since they occupy Marxist positions. Many of the DuBois Clubs members have joined our party."

Many of them didn't have to join, since they were already in. Its founders, after all, included what the FBI wryly calls "Red Diaper Babies" meaning the sons and daughters of old line party members. They include:

The zealous Miss Aptheker, whose father Herbert is a leading Communist theoretician, once described her occasionally confusing philosophy by insisting on "destroying or eliminating corporate monopolies and nationalizing control of the industries into the hands of the people."

Eugene Dennis Jr., son of the former U.S. Communist Party chairman, who has insisted, since he left the Wisconsin University club for the San Francisco office, that he isn't a Communist though he believes in the teachings of Karl Marx.

Michael Elsenscher, who replaced Dennis in Wisconsin, the son of Sigmund Elsenscher, a member of the Wisconsin State Committee of the Communist Party.

Margaret Lima, onetime Berkeley student and daughter of Chairman Albert J. Lima, a writer and leader of the Northern California District of the Communist Party.

Another leader, Mike Myerson, a delegate to the Eighth World Communist Youth Festival in Helsinki, Finland, popped up in Hanoi two years ago, sporting a Viet Cong cap and a ring he said had been made from the wreckage of a downed American plane.

For his efforts in several Hanoi demonstrations, he was made an honorary nephew of President Ho Chi Minh. His philosophy is almost an echo of Miss Aptheker:

"If it were up to me, I would like to see passed a 25th amendment to the Constitution to abolish private ownership of property, just as the 14th amendment abolished private ownership of people," he has said more than once, although he seems to have confused his amendments: the 13th abolished slavery, the 14th deals with due process of law.

With this sort of position being loudly expressed by members of somewhat dubious backgrounds and purposes, the DuBois Clubs quickly ran afoul of FBI Director J. Edgar Hoover and such political figures as Sen. Robert C. Byrd (D-W. Va.), former Vice President Richard M. Nixon, and former Attorney General Nicholas Katzenbach, not to mention a number of Congressional investigating units.

As early as 1964, Hoover warned that the DuBois Clubs were the party's "newest facade on the nation's campuses to draw young blood for the vampire that is international communism."

In 1966, Katzenbach moved to have the organization registered as a Communist front with the Subversive Activities Control Board, a move that DuBois attorney Patrick Hallinan greeted with the crude observation, "He can stick his registration in his ear."

Byrd and Nixon have both been roundly criticized for their views on the club, Byrd after Senate hearings at which he said that they were "the illegitimate spawn of the Communist Party," and Nixon when he accused the club of deliberately trying to mislead the public into confusing DuBois Clubs with the Boys Clubs of America.

That controversy arose when some radio announcers, instead of correctly pronouncing DuBois' name "dew-boys," slurred it into the Brooklynese "duh-boys."

The Boys Club, horrified at the violent phone calls and bomb threats that resulted, was so worried about protecting the millions of dollars a year it needs in donations, pleaded with announcers to be more careful and Nixon called the DuBois Clubs' choice of a name "an almost classic example of Communist deception and duplicity."

Probably more than anything else, the uproar over this first cataclysmic event onto front pages across the country. But it was almost nothing compared to what Katzenbach's move did last year.

BROOKLYN RIOT

On March 7, in New York, the Brooklyn DuBois Club on Vanderbilt Ave. in the Park Slope section was the scene of a small riot when 150 infuriated neighbors bombarded the young left wingers with eggs, beer cans and fists. Thirty club members, mostly Negro and Puerto Rican, were injured and six were arrested.

On March 8, 40 or 50 pounds of dynamite blew apart the Negro ghetto headquarters of the club in San Francisco and damaged several neighboring houses. The club was empty at the time.

The Attorney General's attempt to have the clubs register as a Red front is still pending, largely because DuBois lawyers enjoined him from acting on the grounds that the McCarran Act is unconstitutional.

The move also backfired, in a sense. The club's membership mushroomed after the government's action, climbing from 3,000 to 4,500 in a few weeks.

As Hallinan put it, (it would seem correctly):

"He (Katzenbach) doesn't understand young people today—you try to intimidate them and keep them from speaking out about the Vietnam war and they just become determined to be heard.

"These kids who are in our group have been steered by the civil rights movement. The 'Communists' label just doesn't scare them," he said.

And the DuBois Clubs, instead of getting weaker, have grown stronger.

Basing their appeal to new members on attacks on the House Un-American Activities Committee, the draft, civil rights, and an occasional strike such as the one by grape workers in California's San Fernando Valley, they offer something for everyone in the left-wing movement toward "social justice."

Possibly because it will help them to retain members during the traditional summer doldrums when loyal workers leave the campuses for vacation, they are now focused on the Vietnam issue.

Even when next month's demonstrations are over, the notoriety DuBois leaders know they will attract can be used next fall to recruit new students to the movement.

AMERICA'S "RED GUARD"—PART 2

Mr. HAMMERSCHMIDT. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. ASHBROOK] may extend his remarks at this point in

the RECORD and include extraneous matter.

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

There was no objection.

Mr. ASHBROOK. Mr. Speaker, the following article completes the two-part series recently featured by the New York Daily News on the "new left" and its coming participation in the Vietnam Week program. As previously stated, the House Committee on Un-American Activities in its report of March 31 entitled "Communist Origin and Manipulation of Vietnam Week," stated that Communists are the principal organizing force behind the Vietnam Week demonstrations slated for April 8 through 15. Readers of the News are indebted to this publication and to the author of the series, Mr. George Nobbe, for providing much needed information on this upcoming program.

To disseminate more widely some of the details concerning Vietnam Week and its participants, I insert the article, "America's 'Red Guard'" from the News of March 26, in the RECORD at this point: AMERICA'S "RED GUARD"—200,000 FROM "NEW LEFT" EXPECTED FOR BIG RALLY HERE

(By George Nobbe)

The dozens of overlapping "New Left" organizations which plan a series of massive, disruptive anti-Vietnam demonstrations starting here on April 8 have mobilized so many militant out-of-town peaceniks that a critical housing shortage has been their most pressing problem.

Trains and buses, many of them chartered, are due from Buffalo, Cleveland, Detroit, Ithaca, Washington and Minneapolis, with more expected from other cities in time for a protest march on the United Nations on April 15.

Leaders of the march, which will climax a week of draft-board sit-ins, campus teach-ins, peace fairs and art exhibits, expect close to 200,000 young radicals to congregate here. But they are also fearful that the faithful, long on zeal if short on cash, may wind up with no place to stay.

It all adds up to a big headache for New York police; and this doesn't at all disturb the leaders of the so-called Spring Mobilization to End the War in Vietnam. The more uproar the better.

The idea, according to a stormy organizational meeting of the committee in Greenwich Village last week, is to put on the most militant display their funds and zeal can promote.

They've already spent plenty. The eastern section of the Spring Mobilization is \$2,500 in the hole by its own admission and is frantically peddling literature and throwing dances to come up with more cash.

Some of it went for printing and mailing, some on rent for such groups as the Fifth Avenue Peace Parade Committee and the Fort Hood Three Committee, which seeks the release of three GIs jailed for refusing to go to Vietnam.

But most of the money goes to finance the harangues of such peace pitchmen as James Bevel, a leader in the Southern Christian Leadership Conference on leave to organize the New York end of Spring Mobilization.

His wanderings have taken him to Ithaca, where the Cornell branch of the far-left Students for a Democratic Society hope to have 500 students burn their draft cards April 15; Washington, where he will help complete arrangements for a "peace and freedom" train to carry demonstrators to New York; and Boston, where he organized yet another office of Spring Mobilization.

Even Bevel's poise almost deserted him at the Greenwich Village meeting when a group of farther-left youngsters screamed for what they called "more radical speakers" to address the peace march when it ends at UN Plaza.

Asked what he meant by "more radical," a bearded zealot who introduced himself as "Michael Lasky, Communist Party, Marxist-Leninist," yelled, "anti-imperialists!"

His demand was voted down by a 2 to 1 margin, but it points up a basic division in the movement, which includes scores of pacifist organizations that have accepted the support of the far left only to find out that peace isn't necessarily their only motive.

The extreme left-wingers consider Vietnam a racist war against a colored people, typical of the "imperialistic" system under which they reluctantly live.

As one member of the New York Spring Mobilization office put it: "We'll take anyone who's against the war. We have people from left-wing groups like the DuBois Clubs, but we also have people from college fraternities, campus leaders and religious organizations, too."

Two such moderates are Susan Cloke, an import from San Francisco State College, and Linda Dannenberg, both fulltime peace parade workers.

Guarded in their estimates of how many will turn out here during "protest week," they have planned a series of "peace happenings," including photo exhibits and folk singers, when the marchers assemble at 11 A.M. on April 15 at the Sheep Meadow in Central Park, near 66th St.

BIGGEST YET

"All we know is that this will be the biggest peace demonstration New York has ever seen," Susan said. "We've had inquiries about buses and trains from towns you'd never think would be interested in something like this. I don't know where we're going to put them all . . . maybe in armories or gymnasiums."

The pacifist organizers here may have some reason to be apprehensive about the activist left-wingers in their midst, but those in California, where San Francisco is the prime target, have a lot more to be worried about.

An uneasy alliance of professed Communists, avowed Trotskyites and sincere though possibly naive pacifists is spearheading the West Coast end of Spring Mobilization, along with a motley assortment of leftist splinter groups.

They have planned an explosive program that calls, sometimes ungrammatically, for such things as:

A "constructively disorderful demonstration" April 15 at the San Francisco Internal Revenue office, aimed at disrupting business on the last day tax returns can be filed.

A mass demonstration to jam a narrow road that leads to a napalm plant outside of Redwood City on April 14.

A "peace fair" in the civic auditorium featuring such noted peace-lovers as child care expert Dr. Benjamin Spock and folk singer Joan Baez, coupled with a pictorial display illustrating the effects of alleged American use of napalm, gas and defoliation chemicals in Vietnam.

A protest march to Kezar Stadium for a 1 P.M. rally.

Public burning of draft cards despite the U.S. Supreme Court's refusal last week to hear an appeal from a 5-year prison term given a draft-card burner.

A series of kangaroo court "war crimes tribunals" along the lines of one planned in Europe by British philosopher Bertrand Russell, with guilty verdicts reportedly already decided upon by students at the University of California and San Francisco State.

The defendants in the mock trials will be faculty members and school administrators charged with "complicity" in the Vietnam war because they permitted CIA and FBI

recruiters on their campuses and have not spoken out against government research grants.

Among the leaders in the San Francisco area are Bettina Aptheker, DuBois Club founder and admitted Communist, who has been a thorn in the side of Berkeley officials ever since her role in the ill-starred free speech movement that turned into "dirty word" riots two years ago.

TROTSKYITE TOURS

The executive director is Kipp Dawson, a former San Francisco State College DuBois leader, who, with her husband, is a militant Trotskyite. The Dawsons have spent months touring western college campuses four or five days ahead of their featured speaker and chairman of the West Coast Spring Mobilization, Edward Keating.

Keating is publisher of the left-of-center monthly, "Ramparts," the darling of the radicals for its recent attacks on the CIA, and he says he is "not the least concerned" about the violently anti-U.S. attitude of the DuBoisiers.

"The demonstration committee is open to anyone and everyone—even conservative Republicans, provided they are opposed to the war in Vietnam."

"We have only one political policy," he explained, "and that is non-exclusionary. We are getting a great response, not so much for what we are doing but for what the Administration is doing in Washington."

At the high school level, Kathie Harer, teen-aged daughter of Asher Harer (long active in such causes as the now defunct Fair Play for Cuba Committee and a leader of the Socialist Workers Party), claims she has organized anti-war groups at eight schools in the San Francisco area.

Like a great many youngsters in the peace movement, she seems privy to a lot of information normal Americans have had to muddle along without.

In one recent report she wrote: "The hostility or just the indifference that you find among many high school students in relation to the war is due to the basic ignorance of the real facts behind the war." She didn't bother to divulge the "real facts."

What bewilders many observers of the New Left is where all the money comes from, since organizing 200,000-man rallies for any cause should cost far more than Spring Mobilization has chosen to report.

For instance, the West Coast office, in a financial report for the three weeks ending Feb. 2, listed income of \$1,136, some of which is known to have come from Albert (Mickey) Lima, Communist party chairman for northern California.

LIST LONG

In addition to Lima's donation, it is public knowledge on the West Coast that the list of local sponsors on the Spring Mobilization Committee includes the names of 23 known Communists, affiliated with everything from the American Communist Party to the Progressive Laborites and the Young Socialist Alliance.

(Like many militant organizations, Spring Mobilization lists sponsors rather loosely. One it names is "Herbert Hoover," without identifying him either as the ex-President, who died in 1964 or some other Herbert Hoover. On Feb. 19, the Ad Hoc Faculty Committee on Vietnam, many of whose members are in sympathy with Spring Mobilization, took out an ad in the New York Times carrying 1,200-plus names, 200 of which, it turned out, appeared without authorization. One listed was that of a New York doctor who earlier had protested that such anti-war ads were a "disservice to the country.")

There is no evidence that Spring Mobilization is supported financially in some clandestine fashion by the Kremlin, but some wonder where the money comes from.

They feel that there is simply too much spent on such things as sound systems, print-

ing, organization, speakers and travel for the whole April protest to have been financed solely by the dues of idealistic college students and a few anonymous donors.

Very few would quarrel with the New Left's right to seek an end of the Vietnam War, even if it does involve a series of potentially explosive demonstrations that the law is powerless to halt because there is nothing illegal about them.

What they do quarrel with is that the more militant radicals see peace in Southeast Asia as the beginning of the end of the American system.

One such is Bettina Aptheker, who advocates an end to private ownership of property, has called Secretary of Defense McNamara "insane" and Secretary of State Rusk "maniacal," and derisively refers to most of the nation's newspapers as "the cap [capitalist] press."

Earlier this year she told "Dimensions," self-styled "discussion journal of the W.E.B. DuBois Club":

RADICAL'S ROLE

"This commitment to the building of a radical movement is healthy and important. The problem is to see that radicals do not emerge from the struggle. Radicals do not emerge from a political vacuum; they emerge from political programs and mass movements . . . radicalism is a slow process and a difficult one. It will be strengthened by a growing peace movement involving hundreds of thousands of Americans. Radicalism will be tremendously enhanced when the movement succeeds in ending the war.

"When the U.S. is forced to get out, and it will be, it will represent a tremendous triumph for the forces of peace, socialism and national liberation—and a tremendous blow for imperialism."

Bettina, a history major who often writes and talks with a magnificent disdain for historical accuracy, can speak for hours about "the evils of the system."

These she blames for wars, slums, segregation, police brutality, inadequate housing and educational shortcomings. All of them, she insists, will magically vanish once the war ends and democracy gives way to radical socialism.

Many of her opinions are echoed by two other DuBois Club activities, Matthew and Terrance Hallinan. The Hallinans, though not Communists, nonetheless agree that the peace effort has drawn leftists together.

But splits have developed all along the New Left front.

The first came in Chicago when moderates in Spring Mobilization refused to go along with the West Coast DuBoisians on a proposal for a nationwide student strike.

The reason given was that they did not want to run the risk that such a grandiose project might flop. They chose to concentrate on New York and San Francisco demonstrations instead.

Then the militant Youth Against War and Fascism, claiming it had "no confidence in the liberal line of [Sen.] Robert Kennedy," chose to participate in the April demonstrations with its own slogans. They include such as "Big Firms Get Rich—GIs Die" and "Johnson Speaks Phony Peace—Widens War."

Then the California section of Students for a Democratic Society dealt the peaceiks the stiffest blow of all by voting not to endorse the April 15 mobilization.

An SDS position paper argued that parades no longer attracted either new members or sufficient press coverage, that the protest should be held in Washington, and that the timing of Spring Mobilization was politically irrelevant.

"We in SDS," the paper continued, ". . . view the war as an oppressive action on the part of the government similar to many other oppressive actions which form a part and parcel of the lives of many Americans.

"Thus we feel that the suffering of the

Vietnamese people is akin to the suffering of the people of the United States, that the draft and the war are manifestations of the same kind of thinking on the part of the government, that poverty and racism are as much a result of deceptive government action as the Vietnam War."

And to make matters worse, DuBois Club membership on the West Coast has dropped steadily since former Attorney General Nicholas Katzenbach's attempt, unsuccessful, to list the clubs as a Red front.

Even so, the peace marches next month could well be the most disruptive yet, if only because the chances are excellent that they will be the biggest.

That, at least, is the opinion of two New York DuBois Club officials, Jose Stevens, a one-time Hunter College student, and Jose Ristorucci, a Brooklyn College dropout.

COST CUTTERS

Both of them work fulltime for the organization, both live with their parents to cut their living costs, and both vehemently deny the Communist party has anything to do with their organization or Spring Mobilization.

"Communist is a dirty word, a smear word used by people who don't agree with our views and what we're trying to do," Ristorucci said. "We don't ask applicants what their politics are. We don't care."

What would they do if the Vietnam war were to end tomorrow?

"We would be in the civil rights movement, we'd be working to help Negroes and Puerto Ricans find jobs, we would be fighting police brutality and we'd still be demanding an end to the draft because that's the only way to make it democratic—to end it," Stevens said.

To many, all the petitions, the advertisements, the frenzied activity, is strangely reminiscent of the youthful pacifists of the 1930s who signed an oath called the Oxford Pledge. It read:

"I refuse to support the government of the United States in any war it may conduct."

To others, and FBI Director J. Edgar Hoover is among them, it is far different and infinitely more dangerous. Discussing the New Left of the 1960s, Hoover made several distinctions:

"This conspiracy has unloosed disrespect for the law, contempt for our institutions of free government, and disdain for spiritual and moral values. In extremist acts such as blocking railroad tracks, lying down on busy streets, and crudely sprawling in the offices of government officials, this movement has cynically exploited the idealism and deep convictions that do undoubtedly motivate many of the participants.

"Freedom of speech, of dissent, and of petition, are absolutely vital rights, necessary to the functioning of a democratic society," he said. "But when young people are urged to disobey a law they dislike, to participate in civil disobedience, these rights are betrayed.

"The tragedy of the New Left is that the idealism of so many students—genuinely concerned about the dangers of our nuclear world—has been distorted or even lost in the maelstrom of the New Left's excesses."

MR. FREEMAN'S PREDICTION—1 YEAR AGO AND NOW

MR. HAMMERSCHMIDT. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. NELSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

THE SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

MR. NELSEN. Mr. Speaker, I have

matched up Secretary of Agriculture Orville Freeman's predictions of a year ago on how much farm income would decline, and the results have led me to hope the Secretary will refrain from such predictions in the future.

As a number Members of Congress may recall, just about 1 year ago, on April 1, 1966, an article appeared in the New York Times reporting Mr. Freeman had expressed pleasure that farm prices had fallen. The same article by William M. Blair quoted Mr. Freeman as predicting the following declines by the end of the year: Poultry and eggs, down 15 to 20 percent; vegetables, down 20 to 25 percent; potatoes, 10 percent; meat animals, 5 percent. Mr. Freeman was also quoted as predicting average prices of all farm products would be 6 to 10 percent lower in the fourth quarter of the year.

Four quarters after this astonishing performance by the key administrator of the Department of Agriculture, what is the situation? A check of current market prices based on the Government's most recent agricultural price listing shows meat animals are not down just 5 percent as Mr. Freeman predicted, they are down 25 percent for hogs, 10.4 percent for beef cattle, 16.1 percent for sheep, and 19.8 percent for lambs. Eggs are down 16.9 percent and chickens are down 17.9 percent. Potato prices have fallen 11.7 percent in the past year. Vegetables such as lettuce, is down 35.6 percent, green beans are down 39.4 percent, and cabbage is down 17.8 percent.

It is obvious the consumer-oriented leadership of the Department of Agriculture has used many means to bring about these catastrophic declines in farm prices.

Mr. Speaker, what we need from the Department of Agriculture is a few less predictions and more help with matters like cutting off the dairy import flood. Such imports have heavily contributed to lower farm income. As an example, dairy imports have increased 300 percent in 1 year. It has been estimated that the 2.7 billion pounds of foreign dairy products imported last year amounts to the milk from over 300,000 U.S. cows, or the production of more than 6,000 U.S. dairy farms with 50 cows each.

Nor is our concern limited to dairy imports. Beef imports have increased around 40 percent. Sheep and lamb imports increased 69.2 percent in 1965-66 over 1964-65. The value of egg and egg products imports increased by 219 percent in fiscal 1966 over fiscal 1965.

I realize, of course, that Mr. Freeman has belatedly recommended that President Johnson direct the Tariff Commission to establish import quotas on such dairy products as colby cheese and Junex, a butterfat blend—dairy products whose sale in the United States is far above existing limits because of loopholes in present tariff regulations.

However, even if the Tariff Commission acts quickly, it is generally recognized that the hearings and deliberation mean a minimum delay of some 2 months before any new dairy import controls could be imposed.

Consequently, I sent Secretary Freeman the following wire on Friday, March 31:

Dairy imports situation indicates emergency treatment required. Request you determine extent of emergency and ask President take immediate action in accordance paragraph two of subsection (B) Section 22 Agricultural Adjustment Act. Your action of March 30 insufficient resulting in undue delay during which it is reasonable to expect even greater volume import pressure from foreign sources. In view of President's emergency action taken last year to increase import quotas, recommendation of emergency action this year to reduce quotas is now required. Three hundred percent increase in dairy imports and lowest farm parity ratio since 1934 emphasize need to relieve pressure on income of our dairy farmers.

U.S. SUPREME COURT DECISIONS

Mr. HAMMERSCHMIDT. Mr. Speaker, I ask unanimous consent that the gentleman from Kansas [Mr. SKUBITZ] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. SKUBITZ. Mr. Speaker, radio station WWSF of Loretto, Pa., recently editorialized on U.S. Supreme Court decisions and commended the Honorable JOHN P. SAYLOR, Republican of Pennsylvania, for his role as author of a bill asking for a constitutional amendment for authority to override Supreme Court decisions encroaching on powers delegated to the legislative branch of the Government. I respectfully urge every member of this body to carefully study the proposal of Congressman SAYLOR. I believe it merits our consideration. I commend this editorial to the attention of my colleagues:

U.S. SUPREME COURT DECISIONS

During the past several years the United States Supreme Court, the highest court in the land, has handed down some decisions which are repugnant and intolerable to the people and which are said to be not in the best interests of the nation.

The most notorious of these rulings were those regarding the teaching loyalty oath whereby teachers of our children are not required to take an oath of loyalty to the United States, the abolishment of prayer in public schools, reappointment and the use of confessions in criminal trials.

Decisions such as these, made by men who even by virtue of their office are recognized as most learned men, are an affront to patriotic American people.

American parents are dismayed, shocked and resentful. The decision removes from the people of a state the right to protect their children from being taught a philosophy of self-destruction according to U.S. Rep. John P. Saylor of Johnstown.

Representative Saylor noted that teachers are no longer required to sign certificates that they are not Communists. Decisions such as these has led Representative Saylor to introduce a bill asking for a Constitutional amendment for authority to override the Supreme Court decisions.

The method recommended would permit Congress to negate a ruling by the high court on a two-thirds vote by the House and Senate.

When one branch of the government of the people, by the people and for the people follows a course that is repugnant and intolerable to the staunch Americans who are mak-

ing every effort to teach their children Democracy, belief in God and justice for all, it becomes the responsibility of those elected by the people to reappraise and to readjust.

We heartily commend Congressman Saylor for his role as author of the bill. His tenacity, integrity and his extreme patriotism have long been recognized by his constituents. It would be well for many of our leaders to follow in his footsteps.

THE FEDERAL INTERROGATION ACT OF 1967: THE COMMUNITY AND THE CRIMINAL

Mr. HAMMERSCHMIDT. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. CLEVELAND. Mr. Speaker, I am today joining my colleague, the distinguished gentleman from Ohio [Mr. TART] in introducing the Federal Interrogation Act of 1967.

During the past several years, I have become increasingly concerned as I have watched the Nation's crime rate grow. Since 1960, crimes against the person have climbed 24.5 percent per rate of population, and crimes against property have increased 36.1 percent.

People in my district and throughout the Nation have demanded a halt to this trend. Their demands are becoming more insistent, and with good reason.

But while we seek to halt this trend of increased criminal activity, we must be careful not to destroy the cherished rights of individuals within our society. The problem is to attain a happy medium.

One area of growing discontent throughout the Nation is in interrogation of persons accused of crimes. The confusion in this area was magnified by the U.S. Supreme Court decision in the case of *Miranda v. Arizona* (384 U.S. 436, 1966). Many police and other law-enforcement officials have indicated that vague statements by the U.S. Supreme Court have created undue confusion in interrogation cases and have hindered effective law enforcement.

Some measures have been suggested to correct this situation. I fear that some of them would go too far and thus deny to the criminally accused, rights which are given to every American. On the other hand, we must clarify the rules of the game for our law enforcement officers. We must not be faced with the spectacle of the acknowledged criminal freed merely because a policeman is unable to guess how five Supreme Court Justices will vote on a particular issue.

To help solve this problem, without going too far in the other direction, I am joining in introducing the Federal Interrogation Act of 1967, which offers new approaches to this whole problem of interrogation.

Basically, the act restricts questioning to controlled conditions, conditions which would insure the substantial rights

of the accused person. It creates a category of apprehension prior to arrest. It provides for questioning during a restricted period of time without the necessity of giving the warning cited in the *Miranda* case. But the circumstances under which questioning can occur, the subject matter which can be covered, and the duration of such questioning are clearly and explicitly circumscribed.

Thus, while the rights of the person detained are clearly spelled out and safeguards provided, this provision will also assist law enforcement officers by providing specific ground rules as to permissible conduct on the initial encounter with one suspected of crime.

The act would thus strengthen the rights of any citizen who may be questioned by explicitly setting forth his rights and obligations. But at the same time it clearly outlines permissible conduct by law enforcement officers, minimizing the chance of a court procedural mistake that can jeopardize a deserved conviction.

This control is provided by a master of examination to supervise interrogation, a position established by this act. The master of examination can control any examination that occurs before the accused's attorney is present and this mechanism can assure that both the essential interest of the community and the individual will be safeguarded.

This bill would apply to Federal law enforcement officers in the administration of laws coming under their jurisdiction, but, with the Congress on record as favoring this approach, the States could adopt similar legislation if they wished to.

I hope that enactment of this bill would help clarify an area which has been one of increasing concern in the Nation. It would be a step in the direction of balancing the need for maintaining individual liberty with the needs of the community in coping with increasing criminal activity.

DISCRETIONARY FISCAL POWERS FOR THE EXECUTIVE

Mr. HAMMERSCHMIDT. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. CURTIS. Mr. Speaker, two recent editorials in the Washington Post on the restoration of the investment tax credit made a persuasive case against granting discretionary tax powers to the Executive.

On March 23 the Post pointed out one lesson to be learned from the investment credit experience. The Post noted that:

Frequent tax changes, which would be possible if the Executive were granted discretionary authority, are likely to aggravate economic instability.

The post said:

The administration's fickle policy of off-and-on-again tax credits disrupted long-term

corporate investment planning and doubtless will reduce capital spending in the first half of this year, a time when a vigorous expansion is sorely needed.

Again, on March 26, the Post concluded that:

Frequent tax changes are a source of economic instability. Given the inability to make accurate forecasts, granting discretionary fiscal powers to the Executive will only aggravate the situation.

This is the same position taken by the minority members of the Joint Economic Committee in the minority views of the committee's March 17 report. The minority said grave doubts are raised about "the ability of the Government to finely tune its policies to the needs of the economy monetary and fiscal policies in the postwar period, and particularly within the past year and a half, have tended to destabilize the economy."

Under unanimous consent, I include in the Record at this point the Washington Post editorials of March 23 and 26, and the section of the 1967 Joint Economic Committee minority views entitled "Longrun Policy Considerations":

[From the Washington Post, Mar. 23, 1967]

RAPID TAX ACTION

Fiscal myths die hard, and those who would arm the Executive with discretionary power to vary tax rates will doubtless persist in arguing that Congress is incapable of acting with sufficient speed when economic conditions change. But the fact is that within ten working days after the President made his request, the bill to restore the investment tax credit was approved by the Ways and Means Committee, voted up by the House of Representatives and reported out by the Senate Finance Committee. Were it not for the Easter recess, the legislative cycle that ends with the President's signature might have been completed in 14 or 15 days.

The other lesson to be learned from the investment credit experience is that frequent tax changes, which would be possible if the Executive were granted discretionary authority, are likely to aggravate economic instability. Political pressures, poor economic analysis and a refusal to utilize the available information led the Administration to suspend the tax credit last October. And the threat of recession, despite feeble protestations to the contrary, caused them to seek its premature restoration within six months. This fickle policy of off-and-on-again tax credits disrupted long-term corporate investment planning and doubtless will reduce capital spending in the first half of this year, a time when a vigorous expansion is sorely needed.

A reduction in corporate tax rates would be preferable to the restoration of the discriminatory investment tax credit. But now that Congress is committed to the credit, it should look with jaundiced eyes on future requests for its suspension. The "tax flexibility," so highly touted by the "new economists" loses its appeal on the way from the textbook to the arena of economic policy.

[From the Washington Post, Mar. 26, 1967]

FISCAL ASTIGMATISM

How can the restoration of the investment tax credit on March 10 be logically reconciled with an income tax surcharge that would be levied on June 30? The answer—barring an improbably rapid reversal of the economic trend—is that the two measures cannot be reconciled. Determined to avoid a deficit as large as President Eisenhower's in fiscal 1959 (\$12.4 billion), the Johnson Administration introduced the income tax

surcharge on the mistaken supposition that the economic slowdown, discernible in the early autumn of last year, would give way to a resumption of rapid growth early in this year. But the drama is not unfolding according to the script, and some of the leading thespians are writhing with discomfort, denying that the credit was restored out of fear of recession and insisting that the surcharge proposal is not dead.

Other administrations struggled with the contradictions that persist between good politics and an appropriate fiscal policy. In November, 1937—five months after the onset of the deep recession of 1937-38—Treasury Secretary Morgenthau sounded a conservative clarion call for an end to deficit spending. And in his budget message of January, 1938, President Roosevelt called for a reduction in Federal spending and a smaller deficit. FDR continued on that wholly inappropriate fiscal course until April when he was compelled to ask for sharp increases in Federal spending. The recession, one of the sharpest in history, touched bottom in May, and the belated fiscal action of the Roosevelt Administration was improperly credited with bringing about the recovery.

President Truman was even more stubborn. After Congress cut taxes over his veto in 1948, he persisted in demanding a higher tax rate long after the onset of the recession in November, 1948. In February, 1949, he was asked whether he would advise the \$4 billion tax increase if the country were heading into a recession. The President said yes, "we are trying to avoid a deficit." In July he finally withdrew the proposal for higher taxes. Mr. Truman assailed Congress for reducing taxes during the inflationary pressures of 1948, but their timing, though unintentional, proved better than his, even though the tax cut did not prevent the recession.

The lessons to be learned from this historical excursion are clear. Despite putative advances in fiscal theory and the speeding of the flow of information by electronic computers, the economic judgment of the policymakers is still clouded by contradictory political goals. So long as schism between good economics and good politics persists, discretionary fiscal powers should not be granted the Executive. The experience of the last six months demonstrates that frequent tax changes are a source of economic instability. Given the inability to make accurate forecasts, granting discretionary fiscal powers to the Executive will only aggravate the situation.

LONGRUN POLICY CONSIDERATIONS

The committee's hearings on the President's Economic Report produced testimony by several eminent private witnesses which raises grave doubts about the ability of Government to "finely tune" its policies to the needs of the economy. The point was made that both monetary and fiscal policies in the postwar period, and particularly within the past year and a half, have tended to destabilize the economy. Weaknesses in economic analysis and policy execution appear to be the chief limiting factors in the Government's ability to shape appropriate policies, particularly at high employment.

Given the present state of economic knowledge and our institutional framework, fiscal and monetary policies are unable to operate with precision at all times. The problems include the limitations of economic statistics and forecasting, the time required to execute a policy change, the interval before which policy has its impact, and uncertainty about what the impact will be. Taken together, they severely limit the kind of "push button" economic policy which the Council of Economic Advisers appears to advocate.

The limitations of economic policy are most evident in a period of high employment. As one witness made clear, economic policy be-

tween 1960 and 1965 appeared to operate with a high degree of precision and success only because there was a considerable margin for error. Unemployment was high, and there was a large amount of unused industrial capacity. Today, with near full utilization of resources, there is little or no margin for policy error. Frequent changes in the degree of stimulus or restraint in such a period becomes particularly dangerous.

POLICY GUIDES

These observations suggest that—

(1) A greater effort must be made to improve existing economic statistics and develop new and more reliable measures of economic activity. We recommend that the statistical agencies of the Government undertake or accelerate efforts to—

(a) Provide quarterly revisions in the original GNP forecast for the year made by the Council of Economic Advisers;

(b) Improve the Federal budget information system, including quarterly estimates of budgetary receipts and expenditures and the presentation of the budget each year in the context of a longrun set of budgetary projections, covering at least a 5-year period. We strongly support the President's proposal for a thorough review of budgetary concepts and practices.

(c) Make faster progress in developing a statistical series on job vacancies. Had the administration seen the vital need for such a series, it could have long ago induced the Democratic Congress to appropriate the modest sums required to launch such an effort. To the extent such statistics pinpoint unfilled job openings by occupation and geographic area they would be invaluable in shaping effective manpower training and guidance programs. Information on the relationship between the number of persons unemployed and the number of job vacancies also would help policymakers determine with greater certainty whether aggregate demand at any particular time was deficient and, if so, aid the development of policies to deal with it. In this connection, the Dictionary of Occupational Titles must be constantly kept up-to-date in a period of rapid technological change, preferably by putting it into loose-leaf form.

(d) Develop a statistical series which measures wealth in the economy, as recommended by the Subcommittee on Economic Statistics, in order to supplement the gross national product series, which measures economic activity but which gives an imperfect picture of true economic growth. One step towards this goal would be the development of a capital budget for the Federal government.

(e) Develop improved regional and State economic accounting.

(f) Measure and forecast productive capacity both in major industries and in the economy as a whole.

(g) Determine to the greatest degree possible the margins of error in our economic statistics and prominently publish these estimates along with the figures themselves.

TAX CHANGES FOR LONGRUN GROWTH

(2) Sharp or large changes in fiscal or monetary policies should ordinarily not be made at high employment. In order to avoid undesirable and unforeseen impacts, policy changes at high employment should be made gradually and smoothly. The only exception to this guide would be an unexpected change in some external influence, such as a sharp spurt in defense spending.

Ordinarily, tax changes should be reserved for longrun growth objectives. We are particularly impressed by Prof. Arthur Burns' case for small annual tax reductions as a means of reducing impediments to economic growth once the defense emergency has passed. If regular tax reductions promote a strong and rapidly growing economic base, Federal revenues will actually be greater

than at higher rates which act as a drag on economic activity.

(3) With fiscal and monetary policies at high employment confined to a somewhat passive and accommodating role, more positive use should be made of expenditure policy to realize economic objectives. For example, we believe that at high employment, public expenditures on training and retraining, education, counseling, and placement can greatly assist in reducing hard core unemployment without inflation.

Expenditures should be made on their own merits within the framework of a broad set of national priorities. The many goals of public policy are capable of imposing infinite demands on the Federal budget. It is essential at all times that spending for ineffective, duplicative, or low priority programs be eliminated or at least reduced, thus permitting tested and high priority programs to go forward at an orderly and productive pace.

There should be no quarrel over basic objectives. It is clear to everyone that the share of the Nation's resources that can be claimed by the Federal sector is limited. To meet legitimate needs within the limits of resources which the public is willing to allocate to the Federal Government requires the establishment of priorities. It also requires judging programs on a strict cost-benefit basis and determining whether our goals might better be achieved by reducing or eliminating some programs, expanding others, or by providing incentives to the private sector.

GOOD NEWS REPORTING IN THE POWELL CASE

Mr. HAMMERSCHMIDT. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. CURTIS. Mr. Speaker, under any conditions the news media has a responsibility to report back to the people fully and fairly. Under conditions where misrepresentation or less than full reporting could ignite inflammatory reactions, this responsibility of the news media is heightened.

One such case was recently before us. News reporting on the House vote to exclude Adam Clayton Powell unfortunately focused upon rejection of the views expressed in the Celler committee's select report, and very little was reported on the reasons for the motion to exclude—which incidentally carried the day. Without adequate reporting on the reasons for exclusion, unwarranted inferences have been drawn. I am therefore placing in the RECORD today an article from the Columbia Daily Tribune of March 12, which in my judgment exemplifies a fine effort to get to the basis of an issue and publicize it:

CURTIS SAYS HOUSE ACTION ON POWELL NOT PUNISHMENT

On Wednesday March 1, the U.S. House of Representatives voted, 307 to 116, to exclude Rep. Adam Clayton Powell of New York from his seat in the Congress.

The action was taken after a special House committee presented a resolution to censure Powell, fine him \$40,000 and strip him

of his seniority, but allow him to retain his seat in the House.

After the House voted down a move to shut off debate on the committee's resolution and block all amendments, Rep. Thomas Curtis, R-Mo., of Webster Groves succeeded in amending the censure resolution with a resolution of his own to exclude Powell from membership in the House and the final vote was taken.

Because of wide interest in the Adam Clayton Powell cases, the Tribune and KFRU made arrangements for an interview with Rep. Curtis while he was in the Central Missouri area two days ago to lecture at Central Methodist College at Fayette and to address a Young Republicans luncheon at Boonville.

The following tape-recorded interview was conducted by Managing Editor Larry Graebner of The Tribune and News Director Eric Engberg of KFRU.

Question: Congressman Curtis, what we're interested in is the role that you played last week in the action to exclude Adam Clayton Powell from his seat in the House of Representatives. Just what is it that Mr. Powell did that led to this extreme action on the part of the House?

Curtis: Well, back in January, there was a move to have him step aside on the basis of allegations that he had been guilty of actions which constituted, if proven in a criminal court, felonies such as embezzlement, forgery, scofflaw, contempt of court, and so on. I felt at that time, and the Congress did, too, that it's unfair to reach a judgment without giving him an opportunity to answer these charges and also to be sure that some group objectively looked into them to see if they were true. So, we created this select committee, and the select committee met, and reported; unanimously, by the way. This was chaired by Emanuel Celler, who is a very good friend of Adam Clayton Powell, and on this committee was a very fine young Negro congressman, Conyers, from Detroit. This committee found unanimously that he was guilty.

Now, here's where the disagreement lay: they recommended then, this committee, that he be very severely punished, fined \$40,000, et cetera, et cetera. My point was that the committee and the leadership of the House had been distracted from the real issue of the case by their concern over punishing Powell.

I tried to point out, and successfully pointed out, that it wasn't Congress' prerogative to punish Powell or anyone: that's for the criminal courts. That's the judicial branch of the government's prerogative. But we had a very grave responsibility under the Constitution to preserve the proper qualifications of Congressmen, so that the Congress could perform its function in society as a study and deliberative and legislative body.

That, certainly, among the qualifications that have to be imposed were that a person not be guilty of violating criminal statutes. Criminal statutes which, if violated, and proven in court, bring with them punishment in prison and deprivation of many of the aspects of citizenship. Nor could we have in a proper study and deliberative body and legislative body a scofflaw. Our problem is to protect the Congress, not to punish Powell, and that is why I moved to exclude him. I didn't regard the exclusion in terms of punishment." Some people said, "Well, wasn't that a more severe punishment than the other?" and I said, "I wasn't thinking of punishment." My argument to the House was: our job—what is necessary to protect the Congress, as a study and a deliberative and legislative body—is to preserve its integrity in the eyes of the people.

And I think we accomplished it—we certainly have the power under the Constitution, that was the issue—and it prevailed by almost a three to one vote.

(Editor's note: At this point in the interview, Rep. Curtis was asked by Graebner to examine an editorial which appeared last week in the St. Louis Post-Dispatch quoting a letter which the St. Louis newspaper said had been sent by Curtis to a constituent in January. Here is the text of the letter as published by the Post-Dispatch:

Adam Clayton Powell is well within reason when he defends his actions by asking, in effect, why pick on me? Indeed, why pick on him? Others have been doing in various ways—and almost as flagrantly—everything he has been accused of doing. They may not have been as arrogant as Powell and they have not carried their misconduct to the extent of disregarding Court orders, but the essence of their offenses in some instances have been worse, in my judgment, than the alleged offenses of Powell.

Now, if the Powell case were to become the catalyst to bring about basic congressional reform that is needed—namely, establishing the codes of conduct by law and establishing the procedures for their enforcement by law, not by individual cases—then it will have served a good and necessary purpose. However, if the Powell case is just to be another ad hoc case, like the censure of Senator McCarthy or the ad hoc proceedings against Senator Dodd, then we might just as well save our breath. We are merely adding a little more camouflage to the leadership in the House and Senate to distract the public attention from the basic rottenness that presently exists.

There is no question that Powell is being "gotten," that is, if the powers that be do decide to go through with the plan to throw him to the wolves to keep the people off their back. In the same way Bobby Kennedy "got" James Hoffa. Perhaps both men deserve to be punished; in my judgment, they do, but they deserve to be punished for what, by law, it has been proven they really did and that others who enact those same laws or codes of ethics receive the same treatment.

In commenting on the letter, the Post-Dispatch said: "Mr. Curtis' letter constituted a strong plea for even-handed impartial enforcement of ethical standards on all members of Congress. We wish him success in any future efforts he may make to reach that goal."

Question: Now, I have here a letter which is purported to be a letter that you wrote to a constituent of yours in January, that was published in the St. Louis Post-Dispatch this week; have you seen it?

Curtis: I haven't seen it, but I did write a lengthy letter to my constituency who had been writing to me in January about the Adam Clayton Powell case. I hadn't seen this in the Post, but as I look over this, I recognize some of the, well, here's the conclusion—"Mr. Curtis' letter constituted a strong plea for an even-handed and impartial enforcement of ethical standards on all members of the Congress." This is indeed so; now as to the start of this letter "is Adam Clayton Powell well within reason when he defends his action by asking, in effect, why pick on me?"

Now, only well within reason to the extent that there have been allegations of violations on the part of others, but notably in Powell's case, he did not deny that these charges were true. These other Congressmen vociferously say, "No, we haven't done this." My point is, the Congress should have been looking into their actions. We should have established long before now a code of ethics, so that everyone understands what is proper action and what is improper and also establish the mechanisms whereby that code could be enforced. We're about that business right now. But I said in the end of this same letter that this was no reason for holding back on enforcing the procedure for proper qualification towards Adam Clayton Powell.

It should be Powell and anyone else, and that's indeed my position and I think that the Congress is moving forward and to this extent the Powell case has been extremely helpful, because it has forced the Congress, or I hope it's forcing the Congress, to do something that it should have done many, many years ago and ought never to allow to lie dormant, as it has up to date.

Question: In effect, are you excluding Mr. Powell from his seat to some extent because he didn't answer his accusers?

Curtis: Well, certainly. Because the charges were proven to be true. He didn't answer the accusers, I assume, because he had no defense. Incidentally, the evidence against Powell was disclosed by this committee and it's a public report, and anyone can read it. It was to a large degree documentary; he had signed checks, he had signed payroll vouchers, he had signed travel tickets, and indeed he had signed, or apparently signed, someone's else name to checks and deposited them to his own account. So, these are found to be facts. Now these other allegations, no one has really come forward to try to press the charges that might exist against other Congressmen. It's only my personal observation, that regrettably some of these kind of offenses do exist, and it's important that we not just wait and lay back for people to press these charges. It's important that our committee look into them affirmatively and call these people before them.

Question: Mr. Powell has decided to take his case to the federal courts and attempt to regain his seat that way. Say that the courts would order him seated in the House of Representatives, what would be the position of the House and your personal position?

Curtis: Well, I think the position of the House and my personal position would be the same; that we just respectfully disagree with the Supreme Court; that this is not an area for the Supreme Court, or the Judicial branch of the government, to deal with. This is an area that the Constitution clearly singles out for the Legislative branch of the government. And just as I said, I didn't think it was up to the Congress, or the Legislative branch of the government, to be concerned with punishing people, that's the Judicial branch. I say it is not the Judicial branch's concern as to what the Legislative branch decides are the necessary qualifications of people to make up the Legislative branch. So, we would simply respectfully disagree, and continue on our legislative program. I guess nothing else would happen; the Supreme Court can't enforce anything. The President, who represents the third branch of government, the Executive, has already said that this is none of his business and I was very happy he did say that, because it is the Legislative branch's business and responsibility.

Question: If you were subpoenaed to testify in Mr. Powell's court action, as I understand Congressman Celler already has been, will you testify?

Curtis: Well Congressman Celler and myself, or any Congressman, will have to submit that subpoena to the House of Representatives for their action. We can't accept subpoenas without the approval of the House of Representatives. Now, what the House decides to do on this, and whether they will let their members testify, I don't know. We're now going to employ counsel, who will help determine these Constitutional questions on our behalf. If the Congress said that we could testify, then of course we would.

Question: What do you think about Powell's chances, or James Meredith's chances against Powell in the new election?

Curtis: I think it depends on two things: 1. Will the news media begin to report what really occurred in the House during this debate? I mean, that it had no racial overtones. A lot of the people in Harlem do think that there's racial overtones, and I can be

sympathetic with those if they think that's what it is. But when they see that this is an issue, not of who it was, but someone who is guilty of these kind of criminal violations, they won't want to be represented by that kind of person any more than the Congress would want that kind of person down there. The second thing, if the Justice Department starts doing its job, which is to take these facts that this committee found, and submits them to a grand jury and moves forward with prosecution, maybe Mr. Powell will be knocking on prison doors rather than on the doors of Congress.

CONGRESS NEEDS FACTS—NOT EXECUTIVE CONCLUSIONS ON THE DRAFT

Mr. HAMMERSCHMIDT. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. CURTIS. Mr. Speaker, the month of April should bring even greater interest and public dialog on the draft. Several congressional committees have scheduled hearings on certain aspects of the various systems of military manpower procurement. Great attention will undoubtedly be given to the recommendations submitted to the Congress last month by the President. In the interest of promoting dialog and study, my colleague, the gentleman from Illinois, DONALD RUMSFELD, and I have written the President requesting that the supporting data and working papers upon which he and the Marshall Commission based their recommendations be released for public examination. This is necessary in order to provide the Congress with information it needs to intelligently consider this issue, and to allow the Congress to accord whatever merit might be due these recommendations and to put them in proper perspective alongside of other competing proposals for draft reform.

I earnestly hope that the President will make public his working papers, and I shall make them available for all Members of Congress.

The letter to the President sent by Congressman RUMSFELD and myself follows:

MARCH 24, 1967.

HON. LYNDON B. JOHNSON,
President of the United States,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: On March 6 you submitted your recommendations for alterations of the nation's draft laws to the Congress. As you are aware, many individuals, both in and out of Congress, have been simultaneously studying this matter. Several Congressional Committees have indicated an intention to examine certain aspects of military manpower procurement in the near future, prior to extending or amending the draft laws in June of this year. Many Congressmen and other interested students of the draft, plan to testify before these committees and do whatever possible to secure a full public airing of all aspects of military manpower procurement.

The recommendations you made in your message should be explored to the fullest

extent possible. However, in order to do this, it is essential that the Congress be provided not just with your recommendations, but with some of the research, background data, and working papers upon which your recommendations were based. Because of your long experience with the legislative branch, we are sure that you will agree that mere conclusions, although deserving of some respect, are of only limited value to a working Congress. Given the facts, Congress can reach the proper conclusions.

The Report of the National Advisory Commission on the Selective Service and your recommendations summarily dismiss the possibility of a volunteer system of manpower procurement. This proposal, however, has captured the imagination of increasing numbers of Americans, in and out of Congress. This is because a voluntary system offers the advantages of the elimination of conscription, long run reduction in costs, fair treatment of the serviceman, and a more expert and technically trained army. These possibilities have stimulated many students of the draft to compile data and develop research which lead to opposite conclusions to those reached by you and your commission. A meaningful dialogue can be obtained only if you are willing to release and make public the research data and working papers on the key questions pertinent to the establishment of a volunteer army.

Your message, and the report of your commission, headed by Burke Marshall, contain no background information supporting the statements on re-enlistment motivation and the cost of an all-volunteer army. On the subject of re-enlistment motivation, it is stated in your message to the Congress that your studies have shown that a great portion of enlistments were motivated by the threat of the draft and that "research has also disclosed that volunteers alone could be expected to man a force of little more than two million." In order to evaluate these statements it is essential to know among other things what research techniques were used to probe enlistment motivation, and what types of individuals were surveyed. The statistics will have little meaning unless enlistments and re-enlistment is considered along with the necessary accouterments of attracting a volunteer army; namely higher pay, greater fringe benefits such as improved retirement provisions, better housing for servicemen's families and educational benefits for their children, and proper utilization of the individuals' civilian skills, or putting "round pegs in round holes." One of the serious flaws of the Defense Department's "report on the report" made last July was that it considered re-enlistment motivation almost totally within the context of existing pay scales and living conditions. Without further knowledge it appears that your second commission—the Marshall Commission—made the same mistake and relied on the incomplete figures provided by your previous report.

The cost of obtaining a voluntary army is also a key question going to the feasibility of such a proposal. Your message states that "clearly the costs would be too high". Again, the Congress and the public must know what are your techniques of measurement and what are your underlying assumptions. Some studies, which have been made public, reach a contrary conclusion. Among these are studies by Prof. Walter Oi, former Pentagon manpower economist now with the University of Washington, and Prof. Milton Friedman of the University of Chicago. Their studies consider, as they must, such factors as reduced training costs through reduced turnover of personnel, greater efficiency and expertise of technical personnel, abolition of the draft bureaucracy, alternative costs foregone by the society through the draft, and others. These studies tend to show that the cost of a voluntary system

may in the long run be less than any other and certainly that the estimate can, through study, be pinpointed much more exactly than your previous DOD report which estimated \$5 to \$17 billion. Dr. OI, for example, estimates around \$4.8 billion. Others provide reasons for reducing this figure even further.

Finally, your message citing a lack of "flexibility" as an argument against a volunteer army will not stand up to scrutiny. A ready Reserve, whose members maintain their civilian skills for immediate transferral to the military when needed, is a component part of any serious proposal for voluntary manpower procurement. Furthermore, it must be realized that any system of military manpower procurement will require a contingent compulsory system to be employed in the event U.S. commitments require greater numbers than the basic system can provide. Your statement that a voluntary army would "force us to gamble with the Nation's security" is pure rhetoric devoid of any meaning in this context. No responsible person is suggesting a system so inflexible it would "gamble with the national security."

Our draft laws directly affect almost family in America, the strength of our economy, and our military position in the world. Your recommendations as recommendations, should be accorded great respect. However, in no sense can they replace proper Congressional study or full public hearings. Without supporting data and working papers, the strength of your proposals are seriously diminished. Thus we respectfully request that working papers of your National Commission on the points discussed be made available to us in the Congress.

Sincerely,

DONALD RUMSFELD.
THOMAS B. CURTIS.

THE AGRICULTURAL PRODUCERS MARKETING ACT OF 1967

Mr. HAMMERSCHMIDT. Mr. Speaker, I ask unanimous consent that the gentlewoman from Washington [Mrs. MAY] may extend her remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mrs. MAY. Mr. Speaker, on February 6, I introduced in the House of Representatives a bill to control unfair trade practices affecting producers of agricultural products and producer associations.

The proposed Agricultural Producers Marketing Act, H.R. 4889, is designed to improve market negotiation conditions for U.S. farmers by establishing standards of fair practices to be required of handlers in their dealings with producers of agricultural products and their cooperative associations.

This legislation would protect the existing right of farmers to organize bargaining associations and to engage in other group efforts without undue influence from buyers, processors, packers, or others, in such areas as discrimination among producers, blacklisting, boycotts, or other coercive or deceptive methods.

I chose to introduce this bill because I am convinced by the evidence I have seen that legislation is necessary to protect producers from discrimination based on their affiliations. However, it must be made clear that this measure is positive in nature, not negative. Protection, not penalty, is the intent of H.R.

4889. Upon introducing the bill, I called attention to the fact that the proposed legislation will not force handlers to negotiate with farmers or their cooperatives. It will preserve the long-recognized right of a businessman in America to deal with whom he chooses, stipulating only that he does not use that individual's membership in a producers' organization as a criterion for choosing whether or not to deal with him. It will not discriminate against the processors nor will it unjustly penalize them. In fact, just the reverse is true. Handlers of agricultural products will benefit from this proposal, just as will U.S. farmers, for the unfair trade practices of a few unethical buyers can damage an entire industry.

In spite of the clear intent behind H.R. 4889, however, much apprehension and misunderstanding of its provisions has arisen in certain areas. Because of this, it is important that we clearly understand just what this bill will and will not do.

Section 4 is the heart of this legislation, and it begins like this:

SEC. 4. It shall be unlawful for any handler knowingly to engage or permit any employee or agent to engage in the following practices:

(a) to interfere with or restrain, or threaten to interfere with or restrain, by boycott, coercion, or any unfair or deceptive act or practice, any producer in the exercise of his right to join and belong to an association of producers;

The point has been raised in opposition to this measure that Federal and State antitrust laws now prohibit collective boycotts, restraint and coercion. However, even if this contention were entirely correct, it would still not meet the problem of an action where no collective activity or conspiracy is involved. The key word here is "collective." Of what value are laws against unfair "collective" action if the offenses are being committed by only one handler—especially when that handler may be a very large processor representing a substantial part of the market?

Experience has shown that, at best, current law provides a very cumbersome and protracted procedure for legal action. The producers of farm products, especially perishable farm products, need prompt action if it is to be of any value to them.

It has been suggested by opponents of H.R. 4889 that the term "interfere with" could be interpreted to apply to almost any processor action or statement concerning a bargaining association. However, the term "interfere with" as used here is limited to "boycott, coercion, or any unfair or deceptive act or practice." The burden of proof would be on the producer to establish that interference by a handler was in one of these categories. The section continues:

(b) To discriminate or threaten to discriminate against any producer with respect to price, quantity, quality, or other terms of purchase or acquisition of agricultural commodities because of his membership in or contract with an association of producers;

This provision of the bill makes it clear that to be unlawful under the terms of this legislation, such discrimination

must be because of the producer's membership in or contract with an association of producers. This would mean that a producer could not sustain a case unless he carried the full burden of proof of not only establishing discrimination, but also proving that this discrimination was because of his membership in an association of producers. Even at this point, the processor would have an adequate defense if he could establish that the discrimination was because of other factors. Certainly where a real disagreement exists as to the cause of discrimination, an impartial tribunal should decide—not either of the involved parties.

The intent of this measure is not to interfere with the normal functioning of the marketplace. It is essential that handlers be free to exercise their right to deal with whom they please, and to bargain for the quality and quantity of the commodity which they desire, as long as they do not infringe on the rights of producers to form and join their own bargaining associations. The section goes on:

(c) To coerce or intimidate any producer or other person to breach, cancel or otherwise terminate a membership agreement or marketing contract with an association of producers;

It has been pointed out that State common law already prohibits any person from inducing a person to breach his contract with another. This however, is a better argument for inclusion of this provision than it is against. There is good reason to state clearly in statutory form what all agree should be present in "common law."

Some have expressed concern that the term "intimidate" is not clearly enough defined. Legally, "intimidate" is not a vague term. Even as defined by Webster, its meaning needs little clarification: "to make timid or fearful; to inspire or affect with fear," and "specifically, to deter, as by threats." "Intimidation" is hardly a sound business practice, and is certainly not an appropriate activity for a processor in regard to a producer's membership in "an association of producers." Continuing:

(d) to pay or loan money, give any thing of value in excess of the true market value of any agricultural commodity which is being purchased, or offer any other inducement or reward to a producer for refusing to or ceasing to belong to an association of producers;

Opponents of the bill have contended that this provision could be interpreted to apply whenever a processor pays a price to growers above the price demanded by an association. In fact, the producer would have to carry the full burden of proof that the payment was above the true market value. Obviously this would give handlers extensive flexibility in price offers. The provision is purposely drafted to apply only to those cases where it can be established that the processor has specifically sought to reward a producer for not joining an association. Clearly it would have to be proved that the reward was not only given to the producer but that it was given because he refused to, or ceased to,

belong to an association. Section 4 continues:

(e) To make false reports about the finances, management, or activities of associations of producers or interfere by any unfair or deceptive act or practice with the efforts of such associations in carrying out the legitimate objects thereof;

This prohibition seems to be a very moderate and appropriate one. It should be pointed out that it would have to be proved that such false reports were made and that they were made "knowingly" since section 4 does begin by stating:

It shall be unlawful for any handler knowingly to engage or permit any employee or agent to engage in the following practices: . . .

In addition to criticism of these five paragraphs in section 4, H.R. 4889 is also meeting objections on the grounds that the Federal Trade Commission and the Department of Justice have reported unfavorably on the bill. This is misleading. The Federal Trade Commission last year submitted a report dated July 15, 1966, and the Department of Justice issued a report dated July 25, 1966, in reference to Senate bill S. 109 of the 89th Congress. My bill, H.R. 4889, is an improved and amended version of that legislation, and as yet no reports have been received on this proposal.

The Justice Department report, for example, based a substantial part of its opposition on section 5 of the bill which the Department considered. It was felt that this section might have the effect of insulating all mergers and price-fixing arrangements involving cooperatives from the operation of the antitrust laws. These provisions are not contained in any way in H.R. 4889.

The Federal Trade Commission report concluded: "By reason of the foregoing, it does not appear to the Commission that there is any necessity for the enactment" of the legislation which it considered. This statement does not express opposition to the measure, and one of the Commissioners dissented, citing a specific case where an existing law had, in fact, proved completely ineffective. This was the *Tomato* case, FTC docket 5994 (52 FTC 1607-58), a long, protracted action which started in Ohio in 1951 and was not finally resolved by the courts until 1957—a classic example of the kind of problem we hope to end with H.R. 4889.

Even a cursory examination of the evidence reveals that U.S. farmers are in need of the protection offered by this bill. I have had occasion to look into this situation in some depth, as a member of the National Commission on Food Marketing, and what I found has persuaded me that legislation in this area is necessary. In the Commission's final report, we said:

Our studies indicate special efforts are necessary to protect the existing right of farmers to organize bargaining associations, to approve marketing orders, and to engage in other group efforts.

We find that effective and prompt action by regulatory and other law enforcement agencies is necessary to prevent any processor, shipper, or buyer of farm products, engaging in or affecting interstate trade, from

obstructing the formation or operation of a producers' bargaining association or cooperative, and from influencing producers' understanding of or voting on marketing orders, referendums, or similar programs, by disseminating false or misleading information, discriminating among producers in any manner, blacklisting, boycotts, or other coercive or deceptive methods.¹

I believe that the enactment of H. R. 4889 is a necessary and proper step toward the fulfillment of these objectives.

Mr. Speaker, this legislation has attracted wide support from farmers, producer organizations, and other responsible groups across the Nation. At this particular time we are especially aware of the need to improve the economic position of U.S. farmers and ranchers. Farm production costs are pursuing their relentless upward spiral, leaving our producers of food in an unenviable position as they contemplate their plummeting market prices.

Just last week, we were informed by the Department of Agriculture that prices received by farmers have continued to decline, while prices paid, which includes interest, taxes and farm wage rates, have climbed to a record high. Last year, in the month ending March 15, 1966, the parity ratio was 81. This year it is 74—a level reminiscent of the black depression days of the thirties.

American consumers cannot afford to be complacent about low farm prices. In the first place, consumer prices are affected little by fluctuations in farm prices. Whatever price gains consumers can make by falling farm prices are relatively small. And, second, consumers stand to lose the stability of their source of supply if farm prices are not fair and adequate.

The latest developments in the dairy industry clearly show us that an inequitable economic situation in any sector of agriculture cannot long be tolerated without serious results. Farmers have made their position known—they can no longer be ignored and underpaid in the name of a false consumerism. No other industry in this Nation would be satisfied to function under such conditions.

All of this only serves to emphasize the need for enactment of the Agricultural Producers Marketing Act of 1967, H.R. 4889, as part of a broad effort to improve marketing conditions and prices for U.S. farmers. This legislation will help farmers to help themselves gain a more equitable return for their production. Farmers must be treated fairly—by the processor, by the consumer, and by the Government. Let us resolve to take a giant step in that direction, Mr. Speaker, with our approval of the Agricultural Producers Marketing Act.

THE 50TH ANNIVERSARY OF FEDERAL LAND BANKS

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

¹ *Food From Farmer to Consumer*. Report of the National Commission on Food Marketing. June 1966. Pp. 188, 189.

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

There was no objection.

Mr. PERKINS. Mr. Speaker, on March 27, there was a daylong celebration in Larned, Kans., marking the 50th anniversary of the Federal land banks. It was on that date in 1917—just a month before the United States entered World War I—that the first local land bank was chartered in that community. It was organized to rescue the farm population from a financial plight in which the arrival of the age of mechanized agriculture found the farmer unable to pay for the equipment he needed. The farm credit system not only rescued the farmer but made possible the growth of industry to supply the machinery he needed—with accompanying jobs to industrial workers.

The establishment of 12 Federal land banks and hundreds of local associations broke the pattern of lack of credit for the farmer. It transformed agriculture into a dynamic business enterprise. Loans to individual farmers have been made for 50 years through local organizations of member borrowers. The success of the system is due in large measure to the devoted service given by the men who conduct it.

I want to single out one of them for special notice. He is Mr. Henry Collingsworth who, from headquarters in Catlettsburg, Ky., long has served the needs of farmers in a score of Kentucky counties. In paying tribute to the 50 years of public service given by the land banks, we need to give special recognition to individuals, among whom Mr. Collingsworth is an outstanding example.

The Land Bank Association of Catlettsburg, of which Mr. Collingsworth is manager, had an outstanding loan volume at the end of 1966 of \$3,721,083, made to 434 members.

Directors of the Catlettsburg association are: President, L. C. Prichard, Sandy Hook; vice president, Ray Wells, Greenup; and E. A. Cecil, Mize; George Runyon, Ashland; Burl Cundiff, Jackson; and Raymond Jackson, Ashland.

The 120 counties of Kentucky are served by the land bank at Louisville and 14 land bank associations. President of the Louisville bank is E. V. Landers who rose from the ranks and deserves recognition for his leadership and service.

This system, in which the farmer-borrower is also an investor, is one of the legacies that have come to us from the financial reforms instituted by Woodrow Wilson's administration. It is a tribute to the sound judgment of those who established the system that it has stood the test of some of the severest strains farm financing has known, including the depression of the 1930's. It has survived through great transformations in the agricultural processes of our country. Although Government money was put into it at the start, it had graduated fully into private enterprise 20 years ago. Today it operates at no expense to the Government. Its 390,000 long-term mortgages are held by member borrowers and the amount of loans outstanding runs well over \$5 billion.

GOLDEN ANNIVERSARY OF THE FEDERAL LAND BANK SYSTEM

The SPEAKER. Under previous order of the House, the gentleman from Kansas [Mr. DOLE] is recognized for 60 minutes.

Mr. DOLE. Mr. Speaker, I have taken the special order to appropriately note the 50th anniversary of the Federal land banks, the forerunners and now the senior members of our Nation's extensive farm credit system. In this system we find agriculture, the financial community, and the Government working as a constructive alliance to provide a unique mechanism for transforming capital investment into farm production.

Today's date was selected for this commemorative event because it was on April 3, 1917, the process of chartering the 12 Federal land banks was completed. It was on April 3, 1917, that the land banks of Houston, Berkeley, and Spokane received their charters from what was then known as the Federal Farm Loan Board. That body, the direct predecessor of the Federal Farm Credit Board of today, had been duly established by the Congress for the purpose of implementing the then new Federal Farm Loan Act.

The Board determined the geographical territories of the 12 farm credit districts and proceeded to establish a headquarters land bank in each. The first bank to be chartered was the one at Wichita, on March 1, 1917. Between that date and April 3 of that year, charters were also granted to the land banks at Springfield, Mass.; Baltimore, Columbia, Louisville, New Orleans, St. Louis, St. Paul, and Omaha.

While a large portion of the original capital for the banks was subscribed by the U.S. Government, this was "seed money," so to speak, to enable them to commence operations by making long-term mortgage loans to farmers. It was intended from the start that the banks and the local bank loan associations should eventually operate entirely on private funds; in other words, that they should be self-supporting and should succeed only as a result of the success of the farmers, growers, and ranchers they were designed to serve.

Despite the fact that millions of more dollars in emergency Government funds were channeled through the land banks and associations during the depression of the 1930's—thereby saving many thousands of farms from foreclosure and financial disaster—all Government money had been paid back to the Treasury by 1947.

FIRST CHARTER TO WICHITA

In the course of events back in 1917, it followed that since the Federal Land Bank of Wichita had been the first to receive a charter, the local bank association in Larned, Kans., in my congressional district, obtained the initial association charter. It was in Larned, therefore, that the new program for agricultural credit commenced operations.

On March 27, just a week ago today, it was my privilege to participate in a community celebration at Larned in observance of that important milestone in the history of agricultural finance. This event was one rich in experiences, drama-

tizing most effectively the contributions of modern agriculture to our Nation's well-being. It brought out most convincingly, let me add, that the agricultural resources and capacity of the United States are certain to be of vital importance beyond the borders of our land.

AMBASSADOR GOLDBERG EMPHASIZES CONTRIBUTION OF AMERICAN FARMER

In his address to a convocation of agricultural leaders, prominent businessmen, and civic officials, Mr. Arthur Goldberg, our Ambassador to the United Nations, gave emphasis to the increasing stature of the American farmer on the world scene, as nations strive for self-sufficiency in the crucial, silent battle of food versus population.

During April of 1917, in addition to the chartering of the last of the land banks, the original farm loans were issued. Here again, coincidentally, the honor went to a farmer in Larned. Subsequently, many more real estate loans were made by land bank associations throughout the country during 1917. And in the 50 years since, more than 2 million farmers have obtained long-term financing, in a total volume of nearly \$14 billion, through the services of the land bank system.

PRESIDENT WILSON SIGNS FARM LOAN ACT

It would be well to consider the basic reason underlying the creation of the land banks. When President Wilson signed the Farm Loan Act, he commented as follows, and I quote:

The farmers, it seems to me, have occupied hitherto, a singular position of disadvantage. They have not had the same freedom to get credit on their real estate that others have had who were in manufacturing and commercial enterprises; and while they have sustained our life, they did not in the same degree with some other, share in the benefits of that life.

That era of World War I and the formation of the land banks was a bit before my time; but perhaps there are Members among us today, and friends in the galleries, who can confirm the historical accounts, that agriculture of that period was far behind the technological pace of most industry. During the last decade of the previous century, electrical light and power came into industrial use. Steam power hastened the pace of passenger and freight transportation. Through the first years of the new century, gasoline combustion power further quickened the bustle and activity of industry.

Along with the extraordinary growth of industrialism there was developed a system of capital financing and credit tailored to the needs of manufacturers: equity shares and corporate bonds supplemented by 60- to 90-day short-term borrowings. Business and industry found in credit an implement for production as essential as plant, equipment, and raw materials.

There was no parallel credit system for agriculture. Farmers had no choice other than to utilize as best they could the inadequate and costly credit services available. Commerce and industry adapted and perfected credit to their specialized capital requirements. In agriculture, however, it took a good 2

years or more—and still does, of course—to finish out a beef steer; and there is not a single crop farmers could plant, harvest, and sell in a period as short as 90 days.

What agriculture needed—and let me emphasize that I speak of the real, productive, business end of agriculture—was a source of dependable, long-range, and reasonable cost financing. Furthermore, this new credit source would have to be flexible and adaptable to special circumstances, in view of the fact that agriculture is a broad term which covers many contrasting kinds of farming, varying from region to region with the differences in America's geography.

FLEXIBILITY AND SOLIDARITY

The original Farm Loan Act and the establishment of the 12 land banks in specific geographic parts of the country endeavored to provide flexibility with respect to loans and, at the same time, to provide solidarity and a safe investment with respect to the security put up for mortgage loans and land bank bonds.

The land banks and local loan associations have consistently followed at least four major, guiding principles in developing specialized credit for farmers. First, they recognized that agriculture is essentially a family type of enterprise, as distinguished from industries which so often represent mass production and mass sales. Second, agriculture is a biological industry influenced by weather and climate, in which it may take years for investment to be returned, contrasting with rapid turnover in the manufacturing industries. Third, whereas production and, indeed, prices are often subject to considerable control in industry, to exercise broad management over such factors in agriculture is extremely difficult and hence occurs very rarely. Fourth, farming cannot be suspended and farm family labor cannot be laid off when credit dries up in times of crisis.

Many standardized practices in the field of credit today are derived from innovations introduced by the Federal land banks, such as the practice of permitting borrowers to pay off their loans at any time without penalty, or the establishment of future payment funds which enable farmers to build cash reserves and receive interest of such reserves. Also, loan services are provided to member-borrowers at cost through the return of savings to members in the form of dividends on their association stock.

As time went on, it became evident that the land bank loaning system benefits all farmers using credit, regardless of where they obtain their money, because other lenders have followed the leadership of the land banks, lowered their interest rates, and otherwise improved their services. The land banks also introduced the practice of basing loans on normal agricultural values of farms, taking into account their productive potentials, instead of the current market value or similar, temporary levels of value.

Additional flexibility was achieved for farm financing when the Agricultural Credits Act of 1923 granted the Federal Farm Loan Board, as it was then called, the power to charter 12 Federal inter-

mediate credit banks. Since 1933 these institutions have been the main source of funds for the production credit associations, which provide short-term financing for agricultural operations. The Farm Credit Act of 1933 also provided for organizing 13 banks for cooperatives as a system of credit for farmers' marketing, purchasing, and service cooperatives.

All of these elements of the farm credit system were brought under the supervision of the Federal Farm Credit Board and the Farm Credit Administration, an independent agency within the executive branch of the Government, by the Farm Credit Act of 1953. They comprise the world's largest cooperative agricultural credit program, yet they by no means dominate the farm credit business of the United States.

NEED FOR CREDIT HAS EXPANDED

Agriculture's forward march in the effort to produce an abundance of food and fiber for our growing population, as well as to meet increasing demands overseas for American farm commodities, has required larger and larger amounts of capital. In turn, therefore, agriculture's needs for credit have continually grown—and will continue to expand in the foreseeable future. Our Nation has every right to be thankful that a sound, workable credit structure exists for financing agricultural production in the days and years ahead, when people the world over will battle the threat of food shortages.

This is a time of tribute to all those who have made the success of the Federal land banks and the farm credit system possible. When all is said and done, we realize that it has been the hard work and dedication of farmers themselves, which make this a significant anniversary. Therefore, it is most appropriate that the golden anniversary of the Federal land banks has been dedicated to "America's farmers: providers of plenty."

It is indeed gratifying that so many members of the House have joined to voice their appreciation of the land banks, of the farm credit system, and most of all, of the farmers, growers, ranchers, and all others engaged in agriculture. This is truly an hour of commemoration for American agriculture, an hour of honor to all farmers of our land.

Under unanimous consent, I include at this point, the addresses made by Ambassador Arthur J. Goldberg, Gov. Robert Docking, and Gov. R. B. Tootell, at the 50th anniversary observance of the Federal land banks in Larned, Kans., on March 27:

ADDRESS BY AMBASSADOR ARTHUR J. GOLDBERG

I am delighted to be here today in the great American Midwest. In a sense, coming to Kansas is almost a homecoming for me, for I am a neighbor—one state removed—having been born in another great agricultural state—the state of Illinois. That makes me a Midwesterner, too, you know, and I am proud of it.

The people of Larned—indeed all the people of Kansas—have special cause to mark the notable milestone reached here today. For Larned was the birthplace of the modern agricultural credit system in the United States—the place where the first local loan association of the Federal land banks was

established a half century ago. It is, indeed, a good cause for celebration.

I am particularly happy I came because you have given me the opportunity to share this platform with the state of Kansas' very distinguished senior senator, one of the ranking members of the Senate Foreign Relations Committee and an outstanding American, the Honorable Frank Carlson.

I am also honored to participate in this program with Governor Robert Docking, Congressman Robert Dole, and Governor Robert Tootell of the Farm Credit Administration. I join with them and with the twelve eminent Presidents of the Federal Land Banks who are also here—indeed, with all of you—in stressing the importance of this historic occasion, one that has given financial independence to millions of American farmers. As President Johnson has said, the farm credit system, constituting as it does a unique partnership of farmers, the financial investment community and the Government, reflects the best traditions of our democratic society. I wish it continuing success in its dedicated labors to develop the agricultural strength of this nation.

Speaking as a Midwesterner, I am well aware of the view that many people hold of our part of the country, a view that regards the people of the Midwest as isolationist. This is an appraisal that I would say is only a half truth, and an out of date one, at that.

It is true, perhaps, if we look back to the late 20's and early 30's when most of us were hardly concerned at all with foreign affairs, that there was a strong isolationist trend in this region. For in the aftermath of World War I, we in this country had turned our backs on the effort to organize a peaceful world order.

In this respect, however, I don't think Kansas or Illinois differed greatly from any other American State. America was predominantly isolationist in the years between the two World Wars. When the rise of Hitler appeared to threaten the vital interests of the United States, the mood in the Midwest region began to change just as it did throughout the rest of the nation.

Today that change is long since an accomplished fact. In the Midwest, as in the country at large, the old isolationism is dead and buried. It has vanished because we have come to recognize certain realities about our position in the world. We see the world undergoing certain revolutionary changes, some of them hopeful but some of them dangerous to our freedom and security. We see also that the United States has become a world power and that the direction in which all these revolutionary forces move—toward peace or war, toward freedom or oppression—is of great concern to us, and depends to a large extent on how American power and leadership are used.

And we also see how modern technology has speeded up all these developments and made the interdependence of nations more of a reality than ever. A world in which a businessman or farmer will soon be able to fly from Chicago—or even Kansas City—to Europe in a little more than two hours by SST—in which any two points on the globe will soon be able to communicate instantly by satellite—and in which, on the darker side, the most powerful nations can lay each other in ruins in a fraction of an hour—this is a world against which no nation, and certainly not the United States, can ever again close the door.

No, the description no longer applies, for the American farmer—even as all of us—is deeply and irrevocably bound up with the most vital problem of our times—the building of a secure and lasting peace. His future—again, even as that of every American in whatever walk of life and regardless of region—rests on the outcome.

But this is a circumstance not new or unique to the farmer. From the earliest days

of our Republic he has been deeply involved in the foreign policy of our country, and he has played a vital role in shaping it. This is a fact not sufficiently recognized or understood, but its truth is irrefutable.

I have said at the United Nations that one of the first prerequisites of a successful foreign policy is the health of a nation's domestic society. And it is a truism—as it has been throughout our history—that one of the great safeguards of America's health can be found in its agriculture.

Too often, however, do we find ourselves looked upon only as a powerful industrial nation. We are that, yes; but let no one forget our roots in the land—roots that are still healthy and that have grown deep.

The efforts then, to strengthen and bring equity to the farmers of America through the Federal land banks system, and other beneficial legislation, just as the efforts to bring equity to our industrial workers, is one of the sources of our greatness and vigor as a leader of the free world. And because it is, it contributes mightily to our effectiveness at the United Nations where we speak with one voice for all Americans.

I always thought, incidentally, that the genius of American life could be found in a simple but yet classic concept uttered by a farmer who was also one of the leaders of the American revolution. Remember, he advised his son, you are as good as any other man—and no better.

It is the advice that guides me in my work at the United Nations where we seek day in and day out to dissolve the barriers of misunderstanding and political conflict that still afflict our world. Our nation, as you know, bears a heavy responsibility in the community of nations, and I would like to tell you that we could not bear that responsibility if our ideals and our purposes were not backed by the might and mastery of the great agricultural and industrial complex of America. But this alone is not enough. All the might and mastery in the world—all the technical genius and all the agricultural bounty—could not suffice to assure us a leading voice in the councils of nations unless these remain wedded to the right purposes—and, for us as Americans, this means the universal purposes of human freedom, equality, justice and peace.

There is little question in my mind that the American farmer believes in these purposes with a great and unyielding faith. They are the prime reasons, in fact, why he is an internationalist in the best sense of the word. Indeed the farmer, like the industrial worker, must of sheer necessity be interested in international affairs—we are the greatest exporter in the world of both agricultural and industrial products.

There is no shame in this. Quite the contrary. The benefits reaped by our industrial and farm workers help make the American society affluent, one able to play its vigorous role in world affairs. Moreover, the farmer—again, like the industrial worker—is a taxpayer, and a large one at that. He has thereby paid his share and played his part in the unceasing effort to aid others less fortunate, and over the years, this aid has been a vital and indispensable facet of American foreign policy. I refer to efforts like the Marshall Plan, Point 4, the Alliance for Progress and our current foreign aid programs, all of which amount to one of the greatest acts of generosity and enlightened world citizenry anywhere, anytime. And let us not forget, incidentally, that the farmer pays his just share, too, for the support of the UN, an organization that advances, as I say, the self-interest of every American—that self-interest in world peace and security upon which our very survival depends.

If we look for other evidence of the farmer's interest and belief in international affairs, we can turn to the contribution being made by his sons and daughters, and to a surprisingly welcome extent, by his fathers

and mothers who serve in the Peace Corps and in other of our international aid programs that depend upon the participation of enlightened Americans for their success. And let us not forget the young men from Kansas who are standing shoulder to shoulder with other young men from all of our states manning our security forces in Europe and Southeast Asia.

No! No segment of American society has a greater stake in the world than does the American farmer.

But if I were to choose an area that would best illustrate the magnitude of that stake—and the depth of the American farmer's conviction—I would choose his heroic contribution to and leadership in the fight against world hunger. In the decade ending in 1966, under the Food for Peace program, we shared more than 140 million tons of food in more than 100 countries around the world, helping to feed the hungry and assisting in the development of institutions essential for a better life. And that is only part of the story.

It is enough, however, to draw this moral—that my work in the council chambers of the United Nations, and your work in the wheat fields of Kansas may be thrust apart by distance but they are drawn together by aims that are mutual. For we know at the United Nations—even as you know here in Kansas—that the peace we yearn for can never be secure in a world in which half the population is starving, some quickly, some slowly.

Winston Churchill once said:

"It is quite certain that mankind would not agree to starve equally, and there might be some very sharp disagreement about how the last crust of bread was to be shared."

Daily the spectre of humanity struggling for that crust becomes more ominous—more dangerous. For, as you know, the growth of the world's production of food is simply being outstripped by the growth in the number of mouths that must be fed. And to aggravate the problem still more, the slowest increase in food production is generally found in those regions of the world with the most rapid increase in population—regions that also contain the new and developing countries—and regions that now depend more and more on food imports.

One statistic dealing with this dangerous fact shouts a world-wide warning of impending disaster.

From the mid 1930's to the mid 1960's, the countries we call less developed shifted from being exporters of 11 million metric tons of food grains a year to being importers of 30 million tons. By 1985, at this rate, the food deficit will be 88 million tons, far greater than the total United States capacity even if all acreage were brought back into production and technological improvements continued at their present rate. In fact, the deficit will be too large to be met by the entire food exporting capacity of all the food surplus countries of the world. In twenty years, then, in just one generation, a large percentage of the world's people will face famine—unless urgent steps are taken now to avert disaster.

I will just mention a few other statistics that underline the gravity of the situation. The United States is the world's largest exporter, chiefly through our Food for Peace Program. A few years ago, the food grain reserve in storage in the United States stood at 40 million tons. As you know only too well, it is now down to 15 million tons, and we expect it to decrease to 10 million tons by the end of the year as we meet the food crisis in India. And, again, as you know, in order to maintain a minimum reserve, we have increased our wheat acreage allotment by 15 per cent. We now export about 20 million tons a year but we would be hard pressed to raise this figure appreciably, al-

though we shall do our best to continue to meet emergency needs.

The extent of the emergency may best be realized, perhaps, if I tell you that 15 years from now, the world will face the necessity of feeding one billion more persons than it does today.

But we need not wait 15 years to know the gap between food production and demand is steadily widening. We need not wait 15 years to know that the world's food must come from increased production—production that must, at least, equal and exceed the rate of population growth if we are to avoid any worsening of the present state of hunger and malnutrition, and if there is to be any hope not for a better life but for life itself for hundreds of millions of people.

The picture is bleak enough in the extreme. What can be done about it? First, many governments and many agencies, public and private, are now initiating welcome measures to slow down population growth through family planning programs. In addition, the United States has made known its willingness to be of help in this area at the specific invitation of the governments concerned. The United Nations and its specialized agencies, I should add, have equally important roles to play here and they are increasingly turning their attention to what these roles can be.

With regard to a concerted attack on the food situation itself, certain facts, as we have had occasion to tell the United Nations, are evident. Let me quickly review them so that you will know our position on a matter in which you are so directly concerned.

First, as already stated, as a great humanitarian nation we shall do our best to continue to help other countries less fortunate than ourselves, and we shall continue to rely upon the farmer to help discharge this world responsibility.

Second, because developed nations like our own are steadily approaching their maximum food production levels, the great potential for growing more food does not lie in these advanced countries.

Third, while we are told by scientists there is considerable promise in unconventional food sources such as those found in the world's seas, the extent to which these resources can be opened at acceptable costs is not yet known. We still will have to continue to rely for at least the immediate future on conventional food sources.

Fourth, due to the cost and time involved in putting new lands into production the main solution can not be expected to lie in increased acreage.

Fifth, it follows that the greatest single potential for increased food production lies in more scientific and more productive farming on existing acreage in the less developed countries.

Let me emphasize this last point. Soil and climate in themselves are important, but—to say what every scientifically-trained farmer knows—are less important than knowing how to make the best use of them, how to produce better seed, how to use farm machinery, fertilizers, and other scientific aids. This technology, if combined with modern methods of food processing, preservation, storage, and distribution, can revolutionize the living standards of half the people of the world; and it is no exaggeration to say, therefore, that the spread of scientific agriculture in the developing nations of the world holds one of the keys to the prevention, only one generation hence, of a world-wide catastrophe of hunger.

The United States through our public and private agricultural agencies is prepared to work closely and constructively toward this end with all countries—the few with a surplus and the more with a deficit. For as the Secretary General of the United Nations has

said, every country able to help must join in this great crusade. It must become a crusade that will turn the world away from famine and turn it, instead, toward the better and more dignified life that all men and nations desire.

And let me emphasize here that the United States views its role in this crusade not as the leader who knows all the answers, but as a concerned nation blessed with plenty and grateful that it can help those less fortunate. And I wish to make it abundantly clear, we will never use human starvation as a lever for political advantage.

The only lever we wish to use is one labelled, "self-help"—the main reliance of our own farmer. For the stark fact remains that sheer food aid can do no more than buy time for a more permanent solution, that the only lasting solution will be, as I say, for each food deficit country, as a matter of first priority, to do all within its power to modernize its agriculture and increase food production. It is true that every country cannot become self-sufficient, but all can do better—just as food exporting countries can play their proper role now in meeting the existing need.

The emphasis I am placing on the necessity for international cooperation and self-help in combatting world hunger is not due to any lack of generosity or humanity. It is because we firmly believe that the only way to cope with the problem is to encourage other countries to place the same priority on their agriculture as we have on ours throughout our history as a nation. It is because, above all, our concern in coping with world hunger is a deeply humanitarian one, a concern prompted by a desire to help our fellow man and by the knowledge that we cannot be an island of affluence in a sea of poverty.

It is this same concern, let me say, too, that prompts us to direct so much of our energies in Vietnam on pacification and on the achievement of economic and social justice. We recognize this is the only way to a lasting peace. And in this connection I wish to reaffirm once again that the door remains open at all times to an honorable peace in Vietnam. This is what the American people want. This is what they believe in—and we will pursue our belief and conviction in an honorable peace with the same energy and determination that we manifest on the battlefield.

Certainly, I regard it as my first duty as United States Representative at the United Nations to pursue the path toward such a peace—not the illusory goal of peace at any price, but peace with justice and honor to all concerned.

And even as we search for such a peace in Vietnam, equally must we search for a solution in the war against hunger. For if we should fail here today, there will be new battlegrounds tomorrow. We simply cannot fail. And our success may give us, perhaps, the most important key to a world at peace, a world in which human needs are fulfilled, in which no man, no child, knows the meaning of hunger.

I do not wish to sound like a visionary, but I think all of us do need such a vision—a picture of the future we would like to bring about. And I think it may not be too much to hope that in this last third of the Twentieth Century, through painful trial and error, that that picture may also be one of the nations of the world gradually moving toward an age of cooperation, or at least of mutual toleration and respect.

My whole life has convinced me that human nature is everywhere the same. The ingredients of peace and freedom in the wide world are not essentially different from the ingredients of peace and freedom in Kansas or in any state or city in America. They include respect for the rule of law; toleration of differences—whether of religion or race or

opinion or culture; and the insight to perceive, beneath these differences, our common humanity and our manifold common interests.

It is here that you, the farmers of America, can play a mighty role. Indeed, the example you set can help shape the future for all of us.

The vision and faith of the American farmer are eloquently borne out by the history of the Federal land banks. With that same vision and faith put to work in the international community, we can yet bring limitless blessings to mankind.

REMARKS BY GOV. ROBERT DOCKING

It is a pleasure to join with you in this observance of the 50th anniversary of the Federal Land Bank System. I feel a special interest in this occasion because banking has been my profession.

During the half-century Federal Land Banks have served this nation's agriculture, our farmers have become, as your anniversary slogan appropriately describes them, "Providers of Plenty."

As you all know, agriculture, in Kansas, is our number one business. Kansas agriculture is now at an all-time high in production and income. In 1959, Kansas farm income set a new record. In every year since, our farm income has exceeded the 1959 figure. Kansas not only is first among the states in wheat production, but ranks seventh in the nation as a farm state. Our farms and ranches also produce more than one billion, two hundred million pounds of meat annually. Kansas farming represents an investment of 8.2 billion dollars in land, livestock and equipment.

It is evident that agriculture and agriculture people are extremely important to the State of Kansas. It is evident, also, that a vital contribution to the economic importance of agriculture in Kansas and elsewhere has been made by the Federal Land Banks and by others who provide capital for farming operations.

Each year, capital looms more and more a major factor in the farming business. Total capital requirements of agriculture have about doubled during the past fifteen years. We now have fewer and larger farms, so the capital requirements per farm are now about three and one-half times the amount of capital needed fifteen years ago.

At one time, 75% of the input of American agriculture was labor. Capital and other factors comprised the other 25%. Since that time, we have shifted from labor to a capital technology. Today, labor comprises only 20 to 25% of our farm input, while capital is 75 to 80% of it.

With capital serving as a substitute for land and labor, economists predict that by 1980 in this nation, 90% of our farm input will be capital. This is in direct contrast to circumstances in the underdeveloped food producing nations, where, even today, as much as 90% of the agricultural input is still labor.

The primary mission of Federal land bank officials has been to keep their customers in business. They have made it possible for farmers to amortize their loans as they earn, and to repay loans without penalty. In keeping with the Bank's program to serve farmers, one of the major objectives of the 50th anniversary observance is a continuing program to help present to the public an accurate image of American farmers.

This presentation points to the fact farmers are spending more of their income for factory products, and are, thereby, creating additional jobs. In 1965, American farmers invested about five billion dollars in tractors, autos, trucks and other equipment. This helped to create an estimated 130,000 jobs in plants engaged primarily in manufacturing. Use of the additional equipment and modern technology has, in turn, increased

the productivity of farm workers. The average United States farm worker in 1957-59, supplied food and fibre needs of 23 persons. In 1965, the average farm worker supplied these needs for 37 persons.

The Federal Land Bank promotion also points out that farm production expenses continue to rise. About 70 cents of every dollar of gross farm income in 1965 went for production expenses, a marked rise over 1957-59 production expenses.

Year after year, the share of our income taken for food is smaller and smaller. The percentage of income an average family spends for food declined from 30 percent in the 1947-49 period, to 21 percent in 1957, and to only 18 percent in 1966.

Farmers receive less than 40 cents of each dollar consumers spend for foods. Earnings of most farmers are still lower than those of most industrial workers, but the farming investment is tremendous. That 8.2 billion dollar figure I mentioned earlier means there are 61,000 dollars invested for every farm worker in Kansas. This is three times the national average investment for each worker in Kansas. This is three times the national average investment for each worker in the nation's manufacturing industry.

The Federal Land Banks, in addition to providing long-term credit, are making another valuable contribution to agriculture. They are focusing public attention on many of the important aspects of modern food production.

Land Bank loans have resulted in a higher percentage of land ownership. This has strengthened the rural economy. Years ago, the annual movement of tenant farmers from one farm to another each spring was a familiar scene. Today, most farmers are owner-operators, or at least have longer periods of tenancy on rented land. These ownership trends are reflected in the general acceptance of conservation and soil-building practices. It is good for the state and good for the nation, because our soil is maintained in a productive form, helping to feed expanding populations. There is very little new land which may be developed, economically, for food production. We must preserve what we have—so that future generations will have food.

The Federal Land Bank System is to be commended on this 50th anniversary year, for a program of telling about the success of American agriculture for telling of the contribution farmers and ranchers make to our economy.

You of the Land Bank System have helped American agriculture make this tremendous contribution to the vitality of our nation.

Your anniversary commemorates the unquestioned success of the Federal Land Banks and of American agriculture. I am confident that, with your continued assistance, our farmers and ranchers will be better prepared to meet the urgent demands which they will face in the years ahead.

NEW DIMENSIONS FOR AGRICULTURAL CREDIT

(Address by R. B. Tootell, Governor, Farm Credit Administration, at the 50th anniversary observance of the Federal land banks, Larned, Kans., March 27, 1967)

Ambassador Goldberg, Senator Carlson, Governor Docking, Congressman Dole, distinguished guests and friends. I feel privileged to participate in this celebration commemorating the birth of the Federal land banks and what turned out to be the present complete Farm Credit system. This introduced new dimensions for agricultural credit.

It is a particular delight for me to be here in Kansas. Having been reared on a Montana homestead, I have a certain nostalgia for rural life and consider myself fortunate to have remained involved in agricultural affairs. Because ours was a dry land farm in the plains country, I understand your concern right now about the moisture problem

in this area. I join you Kansans in your hopes for the rains you need so badly. I like these big open spaces that are so free of air pollution. The unobstructed view so often common to the plains country encourages a freedom of both the mind and the spirit.

Your attractive, progressive city of Larned is at the center of the nation's biggest and most important industry—its agriculture.

NATION'S BIGGEST INDUSTRY

Let us look at some of the statistics of our nation's biggest industry. It is still made up of more than three million independent producers, employing between six and seven million workers. This is more than the combined employment in the transportation, public utilities, steel and automobile industries.

The current value of our farmers' assets is some \$273 billion. This is about two-thirds of the value of the current assets of all corporations in the United States. The investment per worker in agriculture is approximately 65 percent more than the investment per worker in manufacturing.

Our farmers are important customers for a great deal of the United States commerce and industry. They currently spend \$30 billion a year on goods and services that enter into their farm production. In addition to this, they spend some \$20 billion a year for goods and services in their role as consumers, part of which comes from non-farm income.

While fewer than 7 percent of our employed people work directly on farms and ranches, more than one-third of our entire labor force is employed in agriculture and agriculturally related business, which in recent years has come to be known as agribusiness. On the input side, there are the great industries that supply farm machinery and equipment; fuel and oil for tractors, trucks and autos; fertilizers and other chemicals used for control of insects, weeds and plant diseases; mixed feeds, animal medicines and a great variety of other production supplies. These have to be manufactured, transported, stored, financed, merchandised and serviced. Examples of agriculture's impact on such industrial centers as Pittsburgh and Detroit exist in the \$5 billion worth of tractors, trucks, farm machinery and related capital items bought by farmers each year. These purchases sustain payrolls and operations of large segments of the steel and farm equipment industries. The products of those industries, in turn, are vital to modern, technological agriculture.

A large number of people also are employed in the marketing of agricultural products. Here transportation, storage, processing, financing and merchandising are essential services that must be rendered to make the products of farm and ranch into the countless items people need for food, clothing, comfort and shelter. This vast combination of enterprises is becoming even more universal, bringing urban and rural interests more closely together in an interdependent whole. It is therefore very important that the significance of agriculture and the problems of agriculture be known and understood by our urban cousins.

THE SIGNIFICANCE OF OUR AGRICULTURE EFFICIENCY

Farmers of the United States are efficient, especially in terms of output per man. Fifty years ago, one farm worker in this country produced food for himself and seven other people; in 1950, one man produced enough for 15 persons; in 1967, he produces enough to meet the needs of 37. These are average figures, let me remind you, taking into account all farmers and ranchers of the United States. I believe it is quite accurate to say that the better producer, the modern, business-oriented family farmer, produces enough for 50 or 60 other persons.

Less than 7 percent of our total labor force is employed on farms, and this relatively small number produces a super-abundance of food and fiber for ourselves and many other people in the world. No other country has even approached this accomplishment. The Western European countries which are included in the Common Market, and with which our Government is negotiating on agricultural trade terms now, employ something like 25 percent of their labor force in primary agricultural production. For Russia, agriculture is the real bottleneck. More than 40 percent of that country's labor force is tied down on farms that produce only two-thirds as much as our total agricultural output.

For more than a century our people have had the assurance of an abundant supply of cheap food. Some housewives may not agree, but the facts are that each hour of industrial labor purchases more and better food by far than in any other country. Presently only 18 percent of our disposable income is spent for food. In 1929, it took approximately 24 percent of our disposable income for food. Productivity per agricultural worker in the last 10 years has increased on an average of 6½ percent a year, while the productivity of nonagricultural workers has increased at a rate of about 3 percent a year.

Without these two situations—the release of a very high proportion of our people from agricultural production and the availability of abundant cheap food—we would never have had our great industrial economy. Only as we developed an efficient agriculture were we able also to develop an efficient industrial economy. For proof of this, we need only to look at the situation in the developing countries all over the world. Many still have as much as 80 percent of their people employed as agricultural producers. In many, as much as 80 percent of the individual's annual income is required for food, and this may not buy a diet that is at all adequate by our standards. Belatedly many of these countries are coming to realize that their agricultural development must precede and be kept in balance with their industrial development. No doubt Ambassador Goldberg will develop this point more fully.

HOW DID ALL THIS HAPPEN?

This question is asked by many people when they learn of the miracle of agricultural production in this country. Of course, the answer is that it did not just happen. True, we are blessed with rich land resources and generally with a favorable climate which permits growing a diversity of crops in different parts of the country. I would remind you, however, that the American Indians had these same resources.

Some say that hard work and ingenuity are the basic ingredients; others believe that universal education is the answer (especially involving the contribution of our unique Land-Grant College system). Research is felt by many to be the key to our agricultural successes.

Institutions we have emphasized over the years have undoubtedly played an important role. The institution of the family farm has been a dominant one, emphasized especially by the Homestead Acts which date back more than a hundred years. Cooperatives—voluntary associations of farmer producers—have received a good deal of emphasis and have played an important role. So have agricultural credit institutions.

As we look back at these elements, we must conclude that they and many others have made major contributions. It is my belief, however, that underlying all of these is the matter of incentives which are basic to our economic and social system. The opportunity for the individual to be an independent proprietor and to benefit from

his own ingenuity and efforts is an important part of the explanation.

SPECIALIZED CREDIT FOR FARMERS

We are meeting here today because of the vision and persistence of certain farm leaders soon after the turn of this century. These men were aware of the growing need for credit in agriculture as the frontier disappeared, land prices rose, tenancy increased, and new items of farm equipment became available. For the most part, farmers had access only to credit institutions designed primarily to serve commerce and industry. In tight money periods, shortage of credit in rural areas was particularly acute. The greatest need at the time was for dependable long-term farm mortgage credit on reasonable terms. The typical farm mortgage for that period carried an interest rate of 8 to 10 percent. It was written for 5 years and, if renewed, usually called for a 5 percent commission.

The persistence of these farm leaders paid off when in July 1916, Congress passed the Federal Farm Loan Act creating the 12 Federal land banks, one of which was located at Wichita. The Act also provided that farmer borrowers would organize national farm loan associations (now called Federal land bank associations), through which they might get their loans. We are celebrating today, as you know, the chartering of the first such association in the United States here at Larned, Kansas, 50 years ago. Since their first loan was made here, the land banks have made 2 million loans totaling \$14 billion. Today the 12 banks have nearly 400,000 loans outstanding for an amount exceeding \$5 billion. This is approximately 20 percent of all the farm mortgage business outstanding in the United States.

The Federal land banks served as a pattern for other parts of the cooperative Farm Credit system that Congress created later in response to the special needs of the times. Following the sharp agricultural depression of 1920-21, the 12 Federal intermediate credit banks were created to serve as banks of discount for agricultural credit corporations and certain other agricultural lenders. During the Great Depression the Congress in 1933 made provision for the production credit associations and for the 13 banks for cooperatives, as well as a new supervising agency, the Farm Credit Administration. This rounded out the system designed to render a complete, specialized lending service for United States farmers and their cooperatives.

Although the government initially capitalized these lending institutions, the Congress wisely provided that as farmers borrowed from them, they would invest in them and that the government capital would be retired. The Federal land banks have been completely farmer owned for 20 years. Other parts of the system are largely farmer owned as evidenced by the fact that less than 10 percent of the \$1.8 billion net worth of the system is now represented by government capital. The system is highly decentralized with control largely with farmer elected boards of directors at the association and district bank level.

Loan funds for the Farm Credit banks come from sale of their own bonds to the investing public rather than from appropriations from Congress. Independent access to the money market is a basic strength of the system, and is the only way it can equate loan funds with the sound business needs of farmers.

Although the Congress created these banks and associations in times of emergency, it did not create them as emergency or gap-filling institutions. Rather it established them as permanent cooperative institutions—a part of the competitive, free enterprise system. They are comparable to farm

supply cooperatives that make available necessary production inputs.

EVALUATION—50 YEARS OF COOPERATIVE CREDIT

It seems to me appropriate that I undertake some evaluation of this system ushered in by the Federal land banks 50 years ago. Their greatest lasting contribution, I am convinced, is the establishment of a mechanism by which farmers from all parts of the United States pool their collateral and market it efficiently. The land banks thus established a means for overcoming the traditional acute credit shortage in rural areas.

The most spectacular service of the land banks was their refinancing of farm mortgages during the Great Depression, when tax delinquencies and farm foreclosures were rampant. In the three most active years of this program, 1933-36, the land banks received applications on nearly one-half of all the mortgaged farms in the United States. They made 760,000 loans totaling about \$2 billion.

Innovations have been many. Pioneering of the long-term, amortized real estate loan and enlightened loan servicing policies have been some of the other outstanding contributions. Other successful lenders have adopted these innovations.

The Federal land banks and their sister institutions have made direct contributions by successfully lending farmers and their cooperatives nearly \$86 billion in the last 50 years. I am convinced, however, that their indirect contributions have been even greater. Nearly every farmer in the country who has used credit since 1917 has benefited by the presence of these specialized agricultural lending institutions that have a significant effect upon loan terms. The end result has been dependable credit suited to the needs of farmers. This has enabled the timely adoption of technical advances that made farmers miracle producers, and a real boon to consumers here and in foreign lands.

The availability of dependable credit, suited to the needs of farmers, has been a very important factor in keeping control of farming in the hands of independent farmers. Only 17 percent of our farms today are tenant operated; and approximately 95 percent are still family farms in which the family has a substantial investment, makes the management decisions, and performs most of the labor. I am sure your Senator Carlson, who is so interested in the welfare of agriculture, shares my view about the importance of keeping control of farming with independent farm families.

WHAT OF THE FUTURE

Despite the steady decline in the total number of farms and the downtrends in both farm population and farm employment, United States agriculture is definitely a growth industry. In the years ahead, agricultural output will be increased to meet the needs of an expanding population here at home as well as increased demands for food exports. It is a safe assumption that agricultural production will be increased by at least 25 percent in the next decade. Most experts foresee an increase of 65 percent in the population of the United States by the close of the century—130 million more people in less than 35 years.

This presents a great challenge to the farmers of the future, especially as we approach the limits of land suited for crop production. Agriculture, like other fields of modern enterprise, has its quota of ingenuity and pioneering spirits willing to test new ideas. There is bound to be more specialization in crops and livestock, more land improvement including irrigation and greater use of fertilizer along with more effective pest control and more productive crop varieties. Further innovations of farm equipment are a certainty. Successful operation of the

farm of the future will require management ability of a high order.

The farm of the future will have even larger capital requirements. Credit will play an increasingly important role, being relied on for much of the capital investment and for most of the annual operating costs. Both borrowers and lenders will need to have more precise information, and do more long-term planning as well as annual budgeting. No doubt, the service of electronic computers will be made conveniently available to farmers and adapted to their special needs. Many agricultural lenders are likely to make this service available.

I have confidence that the land banks and Farm Credit system generally will be in the forefront of the exciting changes bound to come. They introduced new dimensions for agricultural credit in 1917; they developed further new dimensions during the 50 years that followed; and I am sure they will develop still newer dimensions that will be needed in the years ahead. Fifty years ago here at Larned the Federal land banks started working for United States farmers, and they have been marching down the road together ever since. The entire nation has just cause to express gratitude to those who have contributed to the pioneering, pace-setting efforts of our system: officials of the land banks, association managers and their staffs, and personnel of the Farm Credit Administration.

Most of all, this is a time of tribute to the farmer-member-borrowers, and particularly to directors of local associations, the 12 Farm Credit districts, and members of the Federal Farm Credit Board. This golden anniversary is rightfully dedicated to America's farmers, "Providers of Plenty." Through efforts exemplified by the members and many of the system's leaders present in this room today, may agriculture move forward to even greater heights of achievement under the control of independent farm families! It will then justify a similar dedicatory slogan at the centennial celebration of the Federal land banks in 2017!

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

Mr. DOLE. I am happy to yield to the gentleman from Montana.

Mr. BATTIN. Mr. Speaker, as the Representative of Montana's most productive agricultural district, I am happy and proud to participate in this program today. It is, indeed, a privilege to join in this national salute to our farmers and ranchers and to recognize the Federal land bank system for its service to agriculture.

More progress has been made in the production of food and fiber in the last 50 years than was made in the previous 5,000 years and the nonfarm people of this great Nation have benefited immeasurably from this progress. American farmers have kept prices in hand by becoming the most successful users of technology the world has ever known. Many farms today are scientifically run factories in the hands of professionals. The modern farmer pampers his land and it has responded with the richest harvests in mankind's history—better than the crops of any other country in the world. The soil is fed by formula. So are farm animals. Developments like these and many others, are the chief reasons why an average American family can now buy the same amount of food with 37 hours of work that required 60 hours just two decades ago.

Half a century ago there were 6.5 million farms in the United States with

nearly 32 million persons living on them, out of a total population of about 100 million. Today, there are only about half that number of farms. Despite this shrinkage in the total number of farms and farm population, 6.5 million farm people today are turning out agricultural products which would have required the labor of 19 million in 1939 and far more than that 50 years ago. Each farmworker today, on the average, supplies agricultural products to 37 persons as compared with 7 persons in 1910 and about 15 as recently as 1950. Each of our Nation's more productive farmers supplies the food and fiber needs of 50 to 60 persons.

That so few can now produce so much is more than a notable achievement. It is an almost incredible one. In no other country on the face of the earth has agriculture begun to achieve the production efficiency attained by the American farmer. It is, indeed, a real tribute to the ingenuity and enterprise of the American farmer and to the scientists, industrial leaders, and workers who have helped him make it possible.

This spectacular progress of American agriculture would not have been possible without adequate capital to take advantage of the improvements developed through technology and research. The Federal land bank system has been one of the major suppliers of this capital, gearing its loans to meet the particular needs of each individual farm and ranch operator. In my State, Montana, the land bank is supplying about a third of the long-term real estate credit needs of our farmers. This credit has contributed greatly to the progress of agriculture in the Treasure State.

Mrs. MAY. Mr. Speaker, will the gentleman yield?

Mr. DOLE. I yield to the gentleman from Washington.

Mrs. MAY. Mr. Speaker, I want to thank our colleague, the gentleman from Kansas, for making it possible for all of us to take part in the tribute to American agriculture and the Federal land bank system. Farmers and ranchers in the Fourth Congressional District of the State of Washington, which I represent, have made excellent use of loans from the Federal land bank system to produce ever-larger supplies of apples, wheat, livestock, and other farm and ranch products. In fact, the apple crops in my district help to make the State of Washington the leading apple producing State in the Nation.

These farmers and ranchers in my district get their loans from the Federal Land Bank of Spokane through eight local Federal land bank associations, located at Colfax, Davenport, Ephrata, Goldendale, Lewiston, St. John, Walla Walla, and Yakima. Farmers and ranchers completely own these local associations and always have. Together with the farmer-members of other such associations in Washington, Oregon, Idaho, Montana, and Alaska, they own all the capital stock of the Federal Land Bank of Spokane.

Farmers and ranchers in the great State of Washington have obtained nearly 36,000 loans for more than \$230 million from the Federal Land Bank of

Spokane in the last 50 years. At the end of 1966, farmers and ranchers in Washington had over 6,000 loans outstanding through their local land bank associations for a total of nearly \$86 million. This represents over 13 percent of all the farmers and ranchers in the State, and almost 15 percent of the mortgage credit used by farmers.

Farmers and ranchers whom I represent in Congress have made outstanding progress in improving the efficiency of their production in the last half century. The availability of credit to these farmers and ranchers has been an important factor in enabling them to buy the latest machinery and equipment, use the latest discoveries regarding the adaptation of chemicals to their operation, build the necessary farm structures—including modern homes—and make many other improvements on their farms and in their farming methods. Thus, they are successfully meeting the challenge of change, and, in meeting these challenges, farmers and ranchers are producing an ever-increasing supply of food and fibers. They have helped make Americans the best-fed people in the world. In fact, they have done so well, they have also helped make it possible for this Nation to use their production in food-for-peace programs, as well as sell farm products in commercial markets abroad.

I would be very remiss in making this tribute to the Federal land bank system if I did not mention in particular Mr. A. Lars Nelson, who is the master of the Washington State Grange. Mr. Nelson is a member of the Federal Farm Credit Board representing the 12th District and has had long and abiding interest in our farm credit system. In a recent speech commemorating the 50th anniversary of the Federal land bank system, Mr. Nelson had this to say:

I know of no system in the world in any nation which equals or excels the financial service accorded to over a million farmers of America and their credit institutions than the three pronged approach of the farm credit system. People from many nations come to study our operations and system; from time to time foreign governments request assistance from our national FCA staff to help them set up or improve their own credit system.

I congratulate the land bank system for dedicating its 50th anniversary to saluting "American Farmers—Providers of Plenty," and commend the system for helping farmers in making such an important contribution to our national welfare.

Mr. DOLE. Mr. Speaker, I appreciate the remarks of the gentlewoman from Washington, a very able member of the Committee on Agriculture.

Mr. Speaker, I yield to my colleague, the gentleman from Kansas [Mr. MIZE].

Mr. MIZE. Mr. Speaker, it is extremely fitting that we should pay tribute here today to the efficiency of our farmers and ranchers and the land bank system which has for 50 years been helping them finance their operations. This team has helped make our great Nation the envy of other countries all over the world.

Only 5 percent of our population produce enough food and fiber to feed and

clothe us at a level far above that of other nations. They also produce enough so that we can help supply food and fiber to the people of other countries. In Western Europe, it takes about 25 percent of the population to raise enough food to eat. In Russia, it takes about 40 percent of the people. Because of the very high standard of efficiency American farmers have achieved, we have had millions of people released from the land and thus available to manufacture and distribute our almost superabundance of modern conveniences—many of them almost unknown in many parts of the world.

Our modern agriculture, to a large degree, is the result of substituting large amounts of capital for labor. The availability of money has made it possible for farmers to substitute mechanical power for less efficient human and horse power. And the land bank system has been the pioneer and pacesetter in finding the best ways to finance farmers. Other lenders, in order to share in the farmers' credit business, have found it necessary to follow their example.

I am proud that my home State of Kansas has long been the leading wheat-growing State and farmers in the Second Congressional District take a very significant part in helping Kansas maintain its leadership. But farmers in my district are also important producers of soybeans and livestock. Without adequate supplies of credit on terms especially fitted to farming, my constituents would soon find it necessary to give up farming—credit is the lifeblood flowing through the veins of our modern agriculture.

In view of farmers' needs for such large amounts of credit, it is fortunate that the land banks not only pioneered better ways of financing farmers, but also methods of getting ever-increasing quantities of money out to the farms. Using farmers' mortgages as security, in combination with their own strong financial standing, the banks are able to tap the large reservoirs of investment funds in the large cities. They do this by selling securities to investors—and without any Government guarantee.

Farmers and their farmer-owned land bank system have my deep appreciation for making American farmers the providers of plenty. I pledge my support to helping them meet the challenges of change that will arise in the next 50 years.

On Wednesday, March 29, the Topeka Kansas State Journal, editorialized on the 50th anniversary of the Federal land banks. As part of my remarks, I want to include this fine editorial, "Milestone in Farm Progress." The editorial follows:

MILESTONE IN FARM PROGRESS

The golden anniversary of the nation's Federal Land Banks, observed this week at Larned, indeed marked a momentous milestone in the long course of agriculture. Some historians say the act creating them opened the gates to the agricultural revolution in the 1920s.

It is significant that the anniversary observance was set in Kansas, for the first loan secured by a farmer was granted in this state at Larned. The Pawnee County seat

was the site where the first farm loan association was organized 50 years ago.

The act creating the Federal Land Banks had been long in the making and finally was signed by President Woodrow Wilson as the rural credits bill, later to become known as the Federal Farm Loan Act. Enactment into law of the bill heralded the beginning of the farm credit system.

The nation's credit system has been developed primarily to meet the needs of industry and commerce. Prior to 1916 credit in America was simply not adapted to the needs of farmers. The period of free land and the subsequent rise in value of farm lands stimulated the need for agricultural credit and led to it becoming a significant economic issue.

There was no credit system adapted to the long-term needs of agriculture, which so often required years to achieve a return on the investment. Most lending institutions had to limit their farm mortgage lending because of their primary obligation to keep the depositors' funds invested in assets readily convertible to cash.

In their 50 years of operation, the Federal Land Banks have issued more than two million loans to farmers, totaling in excess of \$12.5 billion.

Subscriptions to capital stock amounted at the beginning to \$9 million for the 12 banks. Of this the public subscribed \$107,870 and the remainder was provided by the federal government. Uncle Sam's original share in the banks has been repaid. The capital today comes from bonds sold to the public.

Farmers are big users of credit, roughly three out of five farm operators having outstanding debts last year. Modern farmers need more operating capital than ever before due not only to rapid increases in the use of fertilizers and the need of labor-saving equipment but the low profit margins on which they operate and their inability to generate enough capital of their own to enlarge their operations.

Ambassador Arthur J. Goldberg of the United Nations took note of this Monday as he spoke at the Larned celebration. He called American farmers "providers of plenty" and expressed belief that the only way to cope with world hunger is to encourage other countries to put agriculture on the same priority as it is in the U.S.

The remarkable progress of American agriculture is due in no small part to the Federal Farm Loan Act.

Mr. DOLE. Mr. Speaker, I appreciate the remarks of the gentleman from Kansas.

Mr. Speaker, I now yield to the gentleman from Kentucky [Mr. CARTER].

Mr. CARTER. Mr. Speaker, the alchemy of good management and adequate, sound financing works wonders in business. These, too, are ingredients fundamental to progress in agriculture.

Fifty years ago, when the Federal land bank serving Kentucky was chartered, each farmer on the average was producing only enough food for his own family and five other people. He did not need as big a loan then as he does now when he feeds his own family and 35 other people, but he was desperately in need of credit at lower costs and for longer terms than then available. A new day dawned for agriculture when the Federal land bank began making loans at a 5 percent interest rate amortized over terms as long as 36 years.

This was the catalyst that started our farmers on the road to progress in these past 50 years greater than all the prog-

ress agriculture had made in the previous 2,000 years. Credit did not act alone in this great achievement. It was merely one factor—but a most important factor—along with good management of the individual farmer, research done by the agricultural experiment stations, the work of the extension service in carrying and demonstrating new developments and ideas to farmers, advances in developing better strains of livestock and crops, development of better machinery, new biologicals and herbicides, new techniques, organizations of farmers enabling the farmer to improve his purchasing and marketing position and to make ample electric energy available to him.

Because of the contribution it has made to agriculture, my constituents in Kentucky's Fifth Congressional District join me in paying tribute to the Federal land bank system on this occasion of its 50th anniversary.

Mr. DOLE. I thank the gentlemen. I now yield to the gentleman from California [Mr. TUNNEY].

Mr. TUNNEY. Mr. Speaker, I should like to compliment the gentleman from Kansas on his outstanding statement. I think that he has put his finger on the great value of the Federal land bank system. We know that the Federal land bank has been extraordinarily important, not only to the States of the Midwest but also to California.

In view of the importance of agriculture in Imperial and Riverside Counties of California, it is appropriate that an appraisal of the impact of the land bank loans in this area, which is my district, be included in these deliberations.

The Imperial Valley is doubtless one of the most widely known agricultural areas in the world. Blessed with a mild winter and enjoying a superheated summer, quite often our land is double-cropped—we take two harvests in 1 year. Our soils are deep and generally fertile. Since the late 1930's when Hoover Dam was completed, we have been free from the devastating floods, which repeatedly wreaked havoc in the valley prior to control of the Colorado River.

To create a successful agriculture takes more than natural resources—two other ingredients are essential. Our area has attracted a group of men who have persisted in their efforts to wrest a living from the soil. They have solved the problems of drainage, of producing crops in the heat of a blistering summer, and of transporting their products to markets thousands of miles from the area of production.

One other ingredient is essential: Capital. Within my district the Federal land bank associations of El Centro and Riverside and the Federal Land Bank of Berkeley have carried forward constructive lending services which have been of great assistance to our farmers and ranchers. Without resorting to a compendium of figures, suffice it to say that in the Imperial, Coachella, and Palo Verde valleys and in the Riverside area there are approximately \$40 million outstanding in long-term land bank loan. This approaches one-tenth of the total amount of the Berkeley land bank's

outstanding loans in its five-State area of Arizona, California, Hawaii, Nevada, and Utah.

Citing this impressive figure of loans outstanding at the present time does not take into account the millions which have been loaned and repaid since bank loans were first made in my district.

Making long-term farm real estate loans in my district is not an easy assignment. We are producers of many different crops—some highly specialized; dates, for example—which require special consideration. We have witnessed dramatic changes in our agriculture: the increasing size of our producing units, the development of extreme specialization, and the application of science to our production problems. We have witnessed changes in market requirements and the ebb and flow of great agricultural industries as the increasing population of southern California creates concentrations of people undreamed of 20 years ago.

Specifically, the Berkeley Land Bank and its affiliated land bank associations have participated in the financing of poultry plans—from the small, modest flock to the supersized unit with the number of laying hens in the hundreds of thousands. Land bank loans have been an important factor in the financing of the citrus industry; for in spite of the pressures of urbanization, my district is still an important citrus-producing area. Within our area, in keeping with the changes in production and marketing, we have developed large and important cattle-feeding operations, the feed for which comes from thousands of acres of land developed and purchased with land bank financing.

It is important to all of us that the flexibility built into land bank loans has resulted in the financing of specialty crops. It is important too that these loans provide substantial financing for what might be termed the basic elements of a comprehensive agriculture: alfalfa, milk, and meat.

In this brief statement there are two more important ideas which should be recognized. All sections of the country have been involved in the continuing increases in the value of farmland. In some instances, farmlands have changed hands at prices which appear to be higher than a value which can be sustained from agricultural production. Over the years land values on which land bank loans are based have been increased rather substantially in my district. However, the loans are still made as they should be; that is, on an agricultural value which can be sustained by the production from the land. I agree that long-term agricultural loans should be made on such a basis. To lend a farmer more money than he can repay is committing a disservice. To presume that credit can be substituted for income is fallacious reasoning. Land bank loans stand for sound agricultural financing.

Within the area in California south of the Tehachapi Mountains, the area usually referred to as southern California, there now reside about half the people of the State, about 10 million people who are supplied with an abundance of food through the miracle of modern American

merchandising—the supermarket. The perishable products, for example, milk and eggs, flow in an orderly manner to these people from the agricultural areas in close proximity to the mass of consumers.

We recognize that for many years land bank loans have provided substantial financial assistance to the farmers and ranchers who have used them. However, the secondary beneficiaries of land bank financing are the consumers who have enjoyed the products flowing every month of the year from the farms and ranches which supply the food for an ever-increasing population.

The bounty on the tables of the American people, regardless of where they live, is a credit to our agricultural industry. It is appropriate that we take note of the part of El Centro and Riverside Land Bank Associations and the Berkeley Land Bank have played in the underwriting of an agriculture which has provided so much of the abundance for the best fed nation in the world. We can appraise them with the simple but sincere commendation, "Well done."

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

Mr. DOLE. I yield to the gentleman from Minnesota.

Mr. NELSEN. Mr. Speaker, I join with my colleagues in their commemoration of the 50th anniversary of the Federal land bank system.

Particularly I want to thank my colleague from Kansas [Mr. DOLE], for taking this time today so that we might, with him, give recognition to this great program.

However, I want to mention another matter that also deserves some attention at this time. The rural electrification program now finds itself in need of similar financing for the REA systems of the country. The gentleman from Kansas, BOB DOLE, is working with the members of the Agriculture Committee in trying to formulate some reasonable plan so that the rural electrification program may move forward with its own system of financing.

As a farmer, and user of electrical power on a farm in Minnesota, I want to say "thank you" to the gentleman from Kansas, BOB DOLE, not only for taking this time today to pay tribute to the land bank system, but also to thank him for his efforts in trying to work out a plan whereby the rural electrification program possesses the proper instrument for financing its own operations in the future. I am sure some program will be worked out with the help of such capable men as my distinguished colleague from Kansas.

I thank the gentleman for yielding.

Mr. DOLE. Mr. Speaker, I deeply appreciate the remarks of the gentleman from Minnesota.

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

Mr. DOLE. Mr. Speaker, at this time I yield to the gentleman from Hawaii [Mr. MATSUNAGA].

Mr. MATSUNAGA. Mr. Speaker, I commend the gentleman from Kansas [Mr. DOLE] for calling this significant occasion to the attention of Congress, and I consider it a privilege to join my

colleagues in commemorating the 50th anniversary of the Federal land bank and farm credit system.

The most recent report of the Federal Land Bank of Berkeley shows that the bank has made long-term loans in Hawaii for a total of approximately \$5½ million. This sum, of course, is very modest compared to the other States in the Berkeley district, but to the producers in Hawaii who have received the loans and to the producers of the future it indicates that the land bank program can be adapted to conditions in my State. And this is important.

We recognize that the production of specialty crops in Hawaii, such as pineapples, sugarcane, and coffee, involves quite a different type of agriculture than that prevailing in other States. Moreover, our landownership pattern is complicated, and our operating methods are unique. Our production pattern has been developed in accordance with our climate, our people, and our needs. Our State, which is made up of islands scattered over wide areas of open sea, present situations unique in the history of the land banks.

Shortly after Hawaii became a State in 1959, officials of the Berkeley Land Bank made a preliminary survey of the possibility of extending its services to my State. This visit in 1960 was followed by preliminary studies which brought into sharp focus the problems involved in making and servicing loans in an area over 2,000 miles from the bank's headquarters in Berkeley, Calif. However, the persistence of the Berkeley Land Bank was rewarded when the first loan was made in 1963.

Commercial banks in my State have been relatively successful in providing our agriculture with adequate credit. Experience over the years in other parts of the country, however, shows clearly the advantages of long-term land bank loans, which are most desirable from the producer's point of view.

It is my fervent hope for the future that long-term land bank loans in Hawaii will measure up to comparability with those of other States. The fact that the farm credit board of Berkeley, together with officials from the land bank, the intermediate credit bank, and the bank for cooperatives, have just concluded a series of meetings with representatives of agricultural and business interests in Hawaii is an encouraging sign. These meetings provided Hawaii's leaders with basic facts regarding land bank services which are now available in Hawaii and the possibilities of short-term production loans and loans to farmers' cooperatives in the future.

I am optimistic that the experience which the land bank has acquired in my State during the past several years will provide a springboard for the future. Continuous studies of our agriculture which are being diligently pursued by the land bank's representative in Hawaii indicate a sincerity of purpose and a desire on the part of the bank to increase the effectiveness of its services to our farmers and ranchers.

Notwithstanding the physical problems of distance, notwithstanding the

dynamic change which agriculture in general is undergoing, Hawaii is destined to continue as an important producer of specialty crops adapted to Hawaii's climatic conditions. Hawaii's farmers will continue in their efforts to produce the basic food requirements—especially meat, milk, eggs, and vegetables—for Hawaii's growing population. I am convinced that as our producers come to understand the possibilities of utilizing land bank loans to meet their long-term credit needs, and as the land bank becomes more familiar with Hawaii's conditions, its operations will become increasingly effective in meeting the needs of the producers in the years ahead.

I commend the Federal Land Bank of Berkeley for establishing an office in Hawaii, and urge it to continue its diligence toward the objective that Hawaii may enjoy the full privileges emanating from land bank loans, which have been so successful in other parts of the United States for the past 50 years.

I thank the gentleman for yielding, and in closing I wish to extend my congratulations to the officials of the Federal land bank and farm credit system on this, its golden anniversary.

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

Mr. DOLE. I yield to the gentleman from New York.

Mr. McEWEN. Mr. Speaker, I am particularly pleased this afternoon to join with my colleagues in the commemoration of the 50th anniversary of the chartering of a local land bank association in Larned, Kans., located in the district of my esteemed and distinguished colleague, the Honorable BOB DOLE.

The chartering of that association on March 27, 1917, signaled the advent of one of this Nation's truly great examples of mutual aid—the farm credit system. The entire concept had been recognized the year previous, when the Congress passed the Federal Farm Loan Act, which created the Federal land banks under farmer ownership.

Through the ensuing years, other banks were established under the act, and the Congress has taken a number of steps to broaden the system into a complete credit service and to reaffirm its intent that the banks should be an integral part of private enterprise in our Nation.

Thus, the Federal Government's investment in the capital stock of the banks has been retired, and farmer ownership has been achieved. That this has been eminently successful is evidenced through their ready acceptance by private lenders, for the farm credit banks obtain their loan funds from the investment market.

Farm leaders in my own district—one of the Nation's most important agricultural areas—have informed me of their pride in the success of the program. Today, farmers in my district are served by farm credit associations whose boards of directors are composed of fellow farmers and whose management teams are professional farm credit people whom the farmers themselves employ.

I am delighted to join in this tribute

today to 50 years of progress in our farm credit system.

Mr. Speaker, I share their opinion that the farm credit system is "an outstanding example of private enterprise functioning by and for our Nation's farmers and their cooperatives."

Mr. O'NEAL of Georgia. Mr. Speaker, will the gentleman yield?

Mr. DOLE. I am pleased to yield to the gentleman from Georgia.

Mr. O'NEAL of Georgia. I thank the gentleman.

Mr. Speaker, I welcome this opportunity to join my colleagues in saluting the Federal land banks and the farm credit system for 50 years of outstanding service to rural America.

Agriculture in the United States has undergone revolutionary changes during the past half century. The application of science and technology has permitted our farmers to produce food more abundantly than ever before in history. The ready availability of credit at reasonable terms has enabled them to apply technology for increased efficiency. Therefore, the farm credit system has been an integral part of the story of agricultural progress in America.

Through the chartering of 12 Federal land banks and numerous local land bank associations in 1917, the Nation's farmers for the first time were provided access to private capital at reasonable rates for long terms of use. In fact, the Federal land bank system was the first Government-sponsored program of any kind for the purpose of extending credit to individuals.

While enabling thousands of farmers to survive more than one crisis, the Federal land bank system became completely farmer owned after only 30 years of operation. All capital subscribed by the Federal Government was returned to the Treasury in 1947. The system has demonstrated in a most remarkable manner how private capital under limited governmental supervision can be put to work to strengthen and vitalize the Nation's economy.

The golden anniversary observance of the Federal land bank system has been dedicated to America's farmers. This, in my opinion, is a fitting tribute inasmuch as the success of our farm credit system is due in a large measure to the cooperation and integrity of our farmers.

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

Mr. DOLE. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Speaker, I appreciate my colleague's yielding to me at this time.

I am pleased to be able to join with my colleagues today to pay tribute to the Federal land bank system on its 50th anniversary. It is fitting that we take this occasion to recognize this fine institution and its valuable contribution to the spectacular agricultural development which has taken place in the United States during the past 50 years.

A half century ago, the original Federal Farm Loan Act was drafted and presented to Congress in Report No. 144 of the Senate Banking and Currency Committee, dated February 15, 1916.

This document is of real interest today, because its objectives not only came true but also have served during the years as guideposts on the highway to financial stability for tens of thousands of farmers.

The summary paragraph of Senate Report No. 144 was worded as follows, and I quote:

It is believed that the system of land banks outlined in the proposed bill affords a safe and attractive farm loan bond for the investing public; low interest rates, long-term mortgages and easy payments for the farmer; low cost of administration; simplicity of organization and/or operation; adaptability to the needs of every section; and stimulation to the spirit of generous cooperation among farmers.

Now, if you will, let us examine a portion of that paragraph and consider the meaning it holds for agriculture today and tomorrow.

The first statement is:

A safe and attractive farm loan bond for the investing public.

Prior to the establishment of the land banks in 1917, the vast majority of farmers and ranchers did not have ready access to the money market. What was badly needed at that time was a method of obtaining loan funds from private sources of capital. Today, land bank bonds are eagerly sought by large corporations, insurance companies, banks, saving institutions, foundations, trust and pension funds, and by individuals. The bonds are in demand because they represent solid value, secured by mortgages on productive farm operations—plus the accumulated reserves of the Federal land banks.

It is significant to note that the Federal Land Bank of New Orleans and the other 11 Federal land banks in this country operate entirely on private funds. Originally, the Federal Government subscribed a substantial amount in stock of the banks to help them get started. But Federal money was gradually paid back and the last of it was returned to the Treasury in 1947. The stock that a farmer buys when he acquires a Federal land bank loan and the regular payment of interest constitutes the financial keystone of the whole system.

Another phrase in the original report was: "Low cost of administration." This original objective has also been a strong guiding factor in the operation of the system. The interest rate charged by the banks is just high enough to insure a safe operating margin—and the provision for adequate reserves. Any earnings made by the bank in excess of these requirements are actually savings and may be returned to the stockholders as dividends. In each of the past 4 years, the Federal Land Bank of New Orleans has paid dividends in excess of \$1 million to Federal land bank associations owned by farmers in Alabama, Mississippi, and Louisiana.

The people of this country are indeed fortunate to have had this fine and dependable system of farm credit available to support and maintain our agricultural plant during the past 50 years. Its credit services have played a major role in pro-

viding the finest and lowest cost food ever made available to the consumers of any nation in history.

With the very real prospects of world food shortages in the next several decades, and with the need to expand agricultural production in the United States in the years ahead to meet this need, the Federal land banks and farm credit system will become increasingly important to agricultural developments of the future.

Mr. Speaker, this Chamber should be filled. Actually, we sometimes forget, I fear, in the urban press particularly, that it is a relatively small number of Americans who are engaged in agriculture who leave the others free to have the high standard of living which we do enjoy.

The gentleman from Kansas comes from a farm area, as I do. As the American people have left the farm, the people who are on the farm, even in agricultural areas today, are more limited in number, and they are absolutely dependent upon farm credit to provide the expensive farm machinery and the farm materials which they must have to do all the other things required.

Behind all of this is the extension of farm credit, which enables the farmer to produce.

In my handling of the appropriations for the Department of Agriculture I have started referring to these people as agricultural producers. Really, that is what they are today.

The farmer is a businessman with an average investment of more than \$56,000. Not only does he risk everything he has on the weather, but also on prices.

When we read in the press that someone says we should do away with all the farm programs, I wonder what that same person would say if we should do away with all bargaining rights of labor unions, or should do away with all minimum wages, or should do away with the right of industry to mark up its prices.

If we did those things, I am sure other people would think how unwise it would be to consider agriculture as a thing apart, able to buy at retail, and sell at wholesale. They cannot, and in the long run the consumer will find they cannot for the consumer will pay more for less quality.

I am pleased to have a part today in joining my colleagues in paying tribute to that fine segment of the American people which takes care of the rest of us.

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

Mr. DOLE. I yield to the gentleman from North Dakota [Mr. KLEPPE].

Mr. KLEPPE. Mr. Speaker, I thank the gentleman from Kansas [Mr. DOLE], for yielding. I also thank him for giving us this opportunity to express ourselves today on this important observance.

It is a great pleasure to join in these ceremonies marking the 50th anniversary of the farm credit system.

Since I am the Representative from one of the most agricultural districts in the entire United States, I certainly feel it is very important and fitting that I join in these tributes.

The amazing growth and development of American agriculture over the last

half-century would not have been possible without the Federal land bank system. Since the chartering of the land banks was completed on April 3, 1917, farmers have had a dependable and effective source of credit.

There had been earlier efforts to make some type of credit available for agriculture but credit in America was not adapted to the needs of farmers. Farmers and ranchers often were the victims of exorbitant and usurious interest rates. Their problems were aggravated by World War I and its aftermath.

The Federal Land Bank of St. Paul received its charter on March 17, 1917. It comprises the seventh district of the land bank system, serving Michigan, Minnesota, Wisconsin, and North Dakota.

The first mortgage loan was made in Wells County, N. Dak., on May 21, 1917. This first loan of \$3,000 financed the construction of a barn on a 550-acre diversified farm. This 50-year-old loan was repaid long ago, and the farm has passed into the possession of other owners, but the historical significance of that loan has grown with the years.

From one borrower and an initial \$3,000 mortgage, the St. Paul bank has proceeded during the ensuing half century to extend more than \$1.8 billion in long-term real estate loans to some 284,000 farmers in its district. The St. Paul Bank's record of progress has closely paralleled that of the agricultural economy it serves. To a large extent, the agricultural productivity of the district increased at a pace similar to the rate at which long-term credit was made available to farmers. At the close of business on December 31, 1966, the St. Paul bank had an outstanding loan account of \$611 million to more than 59,000 farmers.

This farmer-owned organization provided 44 percent of all farm real estate financing in North Dakota last year and now serves some 9,300 borrowers, with \$114 billion in loans outstanding. In addition to members benefiting directly by the land bank system, many more farmers who use other sources of credit benefit by its direct and significant influence on agricultural policies of all types of lending institutions.

This system has served North Dakota farmers through good and bad years. Improved farming techniques, grain and forage varieties, mechanization, extensive use of fertilizers, insecticides, and herbicides, and the consolidation of farms into more economical units have made it possible for North Dakota to remain one of the leading agricultural States. It ranks No. 1 in the production of Durum wheat, second in all wheat, first in barley, rye, and flaxseed.

The Federal land bank system's contributions to agricultural advancement and to the millions of people who depend on the soil for their livelihood have been incalculable. The system, the culmination of an American dream, has provided much-needed help in the past and holds a bright hope for the future.

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

Mr. DOLE. I yield to the gentleman from Texas.

Mr. PICKLE. I thank the gentleman from Kansas for yielding.

Mr. Speaker, the Federal land bank and the farm credit system have worked for 50 years to improve our Nation's farms.

On this anniversary of the beginning of the Federal land bank, I would like to reflect briefly on how the land bank and the credit system have improved farm standards back in my home.

The 10th Congressional District of Texas, which I represent, is made up of 15 counties in the fertile central coastal plains, the rich blacklands and the colorful hill country of Texas. This area is serviced by Federal Land Bank of Houston, which makes farm and ranch loans throughout Texas.

There are approximately 23,000 farms in the 10th Congressional District growing a wide range of agricultural products. As in other areas of the country, our farm units are growing larger, but our farms for the most part are still family operations, and certainly our economy is principally agricultural. Like the industrialists, the farmers of today need huge amounts of borrowed capital, and a dependable source of credit is important to them.

The land bank system was organized 50 years ago to fill this need. There are eight Federal land bank associations serving my district, and they have made more than 10,000 loans for over \$66 million since 1917. These associations now have outstanding 4,760 loans for over \$50 million. Due in a large measure to the help of the land bank and the credit system, and in an even larger measure to the industry and perseverance of our Texas farmers, our agricultural achievements have mounted up to admirable levels.

Between 20 to 30 percent, or more, of the rice produced in Texas is grown in this district. We also plant over 300,000 acres of cotton and 150,000 acres of grain sorghum each year. Livestock is becoming increasingly important in our agricultural economy, and we now have more than 800,000 head of cattle. Total farm income of the district exceeds \$130 million per year.

It is a pleasure for me to join the 12 Federal land banks and the more than 700 Federal land bank associations in saluting America's farmers: providers of plenty.

And, Mr. Speaker, if the distinguished gentleman from Kansas will yield further—

Mr. DOLE. I am delighted to yield further to the distinguished gentleman from Texas.

Mr. PICKLE. Mr. Speaker, permit me to make this personal observation. Many members of the Federal land bank and the farm credit system are in Washington today in connection with the observance of the 50th anniversary of these activities and also in connection with other meetings relevant thereto.

Mr. Speaker, one prominent and outstanding member of this group is Mr. David Gault, of Manor, an agricultural expert in the State of Texas, particularly in the field of dairying and dairy products. This gentleman lives just outside of the city of Austin.

Mr. Speaker, the other representative is Mr. George Bohlen, who is also here and who is listening to these commemorative speeches at this moment. He comes from a small community located just outside Taylor, Tex., near Have and Circleville, and he is an outstanding representative for agricultural activities in that entire area.

Mr. Speaker, there are many other people who are present today who have been and are prominent in the activities of the Federal land bank operations. However, Mr. Bohlen is most familiar with the problems of the farm, and I recall that at a meeting not too many years ago in a small community in Texas there was a Congressman present—a Congressman who later became President of the United States—and I have thought back many times as to how important it was that we could get around a little fire in the evening and discuss with the farmers problems which they felt were of paramount importance to them and problems which all of them shared. It was the general consensus of all present at these meetings that all of us should try to find a solution to these problems.

Mr. Speaker, it is important to me and a source of pride to me that two of these men who were so instrumental in getting those farmers together are here in Washington now. I have visited with them many times over the years. Mr. Bohlen is just a little, plain, cotton farmer, a small cotton farmer, who is a most brilliant spokesman for the family farmer and the small farmer throughout this land.

Mr. Speaker, it is very fitting and proper that we are able to commemorate the 50th anniversary of these operations while this man is present here in this Chamber today and while we talk about the commemoration of the 50th anniversary of this great organization.

Mr. Speaker, again, I salute the gentleman from Kansas [Mr. DOLE] for asking for this time during which to speak on this vitally important subject.

Mr. DOLE. Mr. Speaker, I might add that it is men like those the gentleman from Texas just mentioned who have made the farm credit system what it is today throughout America.

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

Mr. DOLE. I am happy to yield to the gentleman from Nebraska [Mr. DENNEY].

Mr. DENNEY. Mr. Speaker, it is a privilege for me to share in this recognition of the 50th anniversary of the Federal land bank system. During its 50 years of service to farmers and ranchers throughout our Nation, the system has channeled billions of dollars from the money centers of the east into the agricultural heartlands of our country through the sale of Federal land bank bonds on the investment market. Since these bonds are not guaranteed by the Government but are secured by mortgages on farms and ranches, they represent private money which has enabled farmers and ranchers in my home State of Nebraska to operate more effectively and to expand and modernize their operations in order to make the agriculture of Nebraska more efficient.

The Federal land bank located in

Omaha, now the largest of the 12 Federal land banks serving the entire United States, has helped more than 234,000 farmers and ranchers in Nebraska, Iowa, South Dakota, and Wyoming during the 50 years since it opened its doors for business on March 8, 1917. Loans during these 50 years have totaled \$1.99 billion.

At no time in its history did the land bank of Omaha provide a greater service to the agriculture industry of Nebraska than during the drought and depression of the 1930's. The bank truly proved to be a friend in time of need to many farm and ranch families when the agriculture of the area suffered through one of its most difficult periods in history.

During those drought years of the early and mid-1930's, thousands of loans were made to assist hard-pressed farmers who were unable to get credit elsewhere. More than \$13 million in loans were made by the Omaha Land Bank during a single week in March 1934. The bank also deferred and extended payments due on loans in order to assist members in retaining their farms. Many farm folks will remember the confidence the bank exhibited in the future of agriculture during this time by encouraging them to stay on their farms and ranches. As a result, many of these people, and members of their families, are today successful farm operators and are helping to adequately feed this country and people around the world.

The agricultural income situation did improve in the midlands during the 1940's and many of the loans which saved farms during the drought and depression of the 1930's were paid off. The 1950's and 1960's saw further changes taking place in agriculture. It was during this period that agriculture met the challenge of making our Nation the best fed and most cheaply fed in the world. In the mid-1960's, the bank fulfilled the vastly increased credit needs of modern agriculture by making loans at a pace which topped that of the troubled thirties. During the past year, the Omaha Land Bank loaned \$155 million to farmers and ranchers in the four States it serves, or nearly 45 percent of the agricultural mortgage money borrowed from major lenders in this four-State area.

Mr. Speaker, I am pleased to have this opportunity to congratulate the land bank on its years of service to agriculture and feel it is particularly significant that the 50th anniversary observance is dedicated to America's farmers: Providers of plenty. The land bank and midlands farmers have formed a significant partnership during these past 50 years which has benefited the entire midlands rural community. The land bank system, which is completely farmer owned, is a shining example of private enterprise in action.

Mr. Speaker, again let me thank the distinguished Congressman from Kansas [Mr. DOLE] for giving me this opportunity to join in this tribute.

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

Mr. DOLE. Mr. Speaker, I am happy to yield to the gentleman from Minnesota [Mr. ZWACH].

Mr. ZWACH. Mr. Speaker, I thank the gentleman for yielding.

It is indeed a privilege to commend the Congressman from Kansas [Mr. DOLE] for his tremendous efforts in behalf of our Nation's countryside, and specifically today in carrying on this wonderful commendation of the Federal land bank system.

I would like to say to the distinguished Speaker, and to Congressman DOLE, that my father was the president of a Federal land bank for many years. We pulled ourselves and our farm up from the bottom through this system—a system that has tried to help everyone to attain a piece of land, and to retain that piece of land, and for its great efforts in our country to really help the farmers hold and maintain their farm.

Mr. Speaker, I would further like to say that in their generation the men who planned this system did a truly fine job. Our generation today has something further to do. We also must pioneer to save our countryside, and the power supplies of electricity, and I want to further commend the Congressman from Kansas for his wonderful efforts in this area.

Mr. Speaker, I thank the gentleman for this opportunity to address the House.

Mr. DOLE. Mr. Speaker, I thank the gentleman from Minnesota.

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

Mr. DOLE. I am happy to yield to the gentleman from South Carolina.

Mr. WATSON. Mr. Speaker, I thank the gentleman for yielding to me.

Although I am not a farmer, a great deal of my constituents down home certainly fall into that classification. Like all Americans, I am humbly grateful to our farmers for making this the most productive agricultural nation in the history of the world. In joining with my colleagues in paying tribute on this 50th anniversary of the Federal land bank system, I also want to commend the gentleman from Kansas. Throughout my experience in this House no one has demonstrated a keener interest and a deeper knowledge of the problems of the farming industry than has the gentleman from Kansas [Mr. DOLE].

His taking this special order, together with his colleague, the gentleman from Kansas [Mr. SHRIVER] and others, certainly demonstrates their interest in the farmers of America.

There is little doubt that a primary stabilizing influence in the world's economy today is American agriculture. Making a major contribution to this achievement has been the Federal land bank system which was created 50 years ago by an astute Congress who envisioned a banking institution tailor-made for farmers. That Congress also envisioned a system that would someday be farmer owned and controlled. In this area, too, their dreams have materialized.

Today, the Federal land banks and the other farm credit banks stand as a monument to Congress and agriculture working together to play a major role in helping American agriculture provide the food for an expanding world population.

The Federal land banks, observing the 50th anniversary of the Federal land bank system this year, have appropriately dedicated this observance to "America's farmers, providers of plenty."

It is a great source of pride to me that one of the Nation's 12 Federal land banks is located in Columbia, S.C., in my congressional district. The president of this bank is Robert A. Darr, a highly dedicated and able public servant who has been instrumental in the outstanding growth of the district III land bank. The Columbia facility makes long-term loans to farmers through 46 Federal land bank associations in South Carolina, North Carolina, Georgia, and Florida. From the first loan of \$1,600 in 1917, the Columbia bank has made 166,000 loans for nearly \$1 billion. Today the bank serves over 37,000 farmer-members in the four States with more than \$400 million. In addition, this bank and the land bank associations are assisting over 6,300 farmer-members in South Carolina with more than \$60 million in long-term credit.

The agricultural revolution in recent years has contributed greatly to our phenomenal progress in all areas of our economy, and agriculture will continue to play a vital role in the years ahead. As agriculture progresses in technology and management, capital will continue to be a major tool in providing this progress.

We can all look with pride upon the accomplishments of the land bank system and American agriculture during the past 50 years. I certainly welcome this opportunity to offer my heartiest congratulations to the Federal land bank system on its 50th anniversary. The prospects for American agriculture during the next 50 years are indeed promising as a result of the partnership between the farmers and the Federal land bank.

However, there is one thing that saddens me at this hour as we are paying tribute to the Federal land bank system and as we commend the gentleman from Kansas. The tragic thing is that the farmer today, despite his productivity and industry, is not getting as much of a slice of the economic pie of America as he was getting 50 years ago. I am sure the gentleman from Kansas and others who have spoken here today will continue to work for the best interests of the farmer in order that his economic lot in life may be improved with the economic condition of those in industry and other businesses and professions in this country of ours.

Again, Mr. Speaker, I wish to commend the gentleman from Kansas for demonstrating his continuing interest in the farmers of his district and the great agriculture interests of this country.

Mr. DOLE. I thank the gentleman from South Carolina.

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

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

Mr. RARICK. Mr. Speaker, I thank the distinguished gentleman from Kansas [Mr. DOLE] for yielding to me, and I am very happy to make these few remarks together with other Members of

the Congress on this, the 50th anniversary of the Federal land bank.

Mr. Speaker, during the past 50 years the United States has been converted from an economy that has been agrarian to one that is largely industrial. The resulting change has had a profound effect on agriculture—and on business. The contributions of the 20th-century farm family in America no longer rests solely in the provision of food and fiber at reasonable prices. Many farm and agriculture workers today must supplement their incomes with jobs off the farms, and the farmer in such a dual role is thus a contributor to the industrial economy in terms of labor and payrolls for which his operations and consumer market are directly responsible.

Farming in America has historically been a family operation as opposed to a corporate enterprise. This is a way of life that has been preserved and cherished since our forefathers first set foot on the soil of this new land. The concept has not been changed through the years. The working family farm today represents about 96 percent of all farms in the Nation. This type of farm accounts for about 73 percent of our total farm marketings. Significantly, it is the family farm producing \$10,000 or more in annual gross sales which now makes up the most rapidly expanding part of our farm economy.

The production and efficiency of agriculture in the three States of Alabama, Mississippi, and Louisiana have been increasing. Mechanization and improved methods of farming are responsible for the increase in gross farm income. The cash receipts from farm marketing of these States in 1965 totaled \$2 billion—an increase of \$600 million from 1955. As production has increased, so has the need for credit.

The increased investment in machinery and other modern equipment, the trend toward agricultural specialization, and trend toward larger family farms necessitate more long-range capital expenditures now than in years past, and therefore, more credit.

Because so much of the capital of today's farmer is in the form of credit, their ability to obtain credit on reasonable terms, in adequate amounts, when they need it, and to use it profitably, has much to do with the success they have achieved. The availability of adequate credit is a must for the continued development in America of a free agricultural system that will continue as a country as one of the few in the world capable of feeding its own people and with a surplus remaining.

The history of the service of the Federal Land Bank of New Orleans closely parallels that of the agriculture in the dynamic Middle Gulf South it serves. By December 31, 1918, it had loans outstanding totaling more than \$11 million to 8,800 farmers in the area. When the bank observed its 25th anniversary in 1942, there were 54,000 loans outstanding for more than \$80 million. In this its golden anniversary year, the Federal Land Bank of New Orleans has 26,000 loans outstanding amounting to \$260 million. For the first 25 years of the bank's operation there was an increase

in the number of borrowers served but this has been reversed in the last 25 years—due to the trend to fewer but larger farms.

Long-term financing became readily available for American agriculture with the founding of the land banks 50 years ago. The golden anniversary of the land bank system has been dedicated to "America's farmers: Providers of plenty," and underlined in the purpose of the observance of 50 years of service to agriculture is the resolution of the Federal Land Bank of New Orleans to continue to maintain a principal position in the extension of adequate and sound rural credit.

Mr. DOLE. I thank the gentleman. I now recognize the gentleman from Texas [Mr. PRICE].

Mr. PRICE of Texas. Mr. Speaker, I thank the gentleman from Kansas [Mr. DOLE] for allowing me this time, and I want to thank my colleague on the Agriculture Committee for his outstanding leadership in bringing this subject to the attention of the Members of the House.

The 18th Congressional District of Texas, which I represent, covers 30 counties of the Panhandle Plains and the Estacado Plains of Texas. The Federal Land Bank of Houston serves this district.

This area is one of the most productive agricultural areas in our Nation. We grow almost 1½ million acres of wheat, representing 47 percent of the State's total acreage. We grow more than three-fourths million acres of cotton, which is 13 percent of our State's total cotton acreage. We grow 1,340,000 acres of grain sorghum, which represents 30 percent of State's totals. We also have over a million head of cattle on the range in this congressional district. The total farm and ranch income exceeds \$340 million per year.

This area also has many other resources which make a valuable contribution to our economy. More than 40 million barrels of oil are produced each year. We have the largest known source of helium in the world, and we have a number of petrochemical plants. Our overall economy however is largely agricultural.

More than 2¾ million acres of the district are under irrigation, and each year additional wells are drilled and additional acres are made more productive through the use of irrigation water. The agriculture production from my district comes from just over 14,000 farm and ranch units. Tremendous capital investments have been necessary to make it possible for so few farmers to produce so much food and fiber. A dependable source of credit has been a principal factor in making this possible.

The Federal Land Bank of Houston, since 1917, has made 28,464 loans for more than \$240 million in this area. The 16 Federal land bank associations making and servicing loans in this 30-county area now have outstanding more than 6,711 loans for more than \$96 million.

The ability of our American farmer to produce abundantly is best demonstrated by the fact that we are probably the only Nation in the world that does not suffer

from the shortage of some food and fiber. It gives me great pleasure to join the Federal land bank system in saluting all the farmers of America as providers of plenty.

Mr. DOLE. Mr. Speaker, I thank the gentleman from Texas.

Mr. MAHON. Mr. Speaker, will the gentleman from Kansas yield?

Mr. DOLE. I yield to the gentleman from Texas [Mr. MAHON].

Mr. MAHON. Mr. Speaker, I thank the gentleman from Kansas for yielding to me at this moment in order that I might join with him and others in commemorating one of the very important events of 1967. From time to time citizens in our country are honored for their service in various fields of endeavor. Today we honor some of those who have made big contributions in the field of providing food and fiber through the years to the people of our own Nation and to the needy people of the world.

The people who now serve in responsible positions with the Federal land bank system—a part of the farm credit system—are carrying on a tradition of farm credit which had its beginnings 50 years ago. We salute their predecessors also.

I suspect that many of the men who are playing an important role in farm credit today will be a little surprised to have their names called in the House of Representatives, Mr. Speaker, but I should like to recite the names of some of those who are participating in a special way in the commemoration of this event in Washington today. I shall read the list of positions, names, and addresses.

First, the Federal land bank presidents:

Gordon Cameron, Springfield, Mass.
W. R. Fankhanel, Baltimore, Md.
Robert A. Darr, Columbia, S.C.
E. V. Landers, Louisville, Ky.
John L. Ryan, New Orleans, La.
Ralph E. Nowlan, St. Louis, Mo.
Hans T. Hagen, St. Paul, Minn.
Thomas A. Maxwell, Jr., Omaha, Nebr.
William G. Plested, Jr., Wichita, Kans.
E. Swan Payne, acting, Houston, Tex.
Wallace E. York, Berkeley, Calif.
Fred A. Knutsen, Spokane, Wash.

Next, the chairmen of the district farm credit boards:

Luther W. Jennejahn, Hilton, N.Y.
J. Homer Remsberg, Middletown, Md.
J. Edward King, Dalton, Ga.
Kenneth N. Probasco, Columbus, Ohio
F. A. Graunard, Jr., St. James, La.
H. Allan Segraves, Osceola, Ark.
Guido Schroeder, West Bend, Wis.
R. Edward Baur, Van Meter, Iowa
Ben Swigart, Mooreland, Okla.
Charles C. Thompson, Colorado City, Tex.

Marvin B. Humphrey, Reno, Nev.
George W. Lacey, Drummond, Mont.

Then, the men who serve on the Federal Farm Credit Board:

J. B. Fuller, Chairman, Torrington, Wyo.
Lorin T. Bice, Vice Chairman, Haines City, Fla.

Julian B. Thayer, Middlefield, Conn.
Millard F. Dailey, Red Lake Falls, Minn.

William T. Steele, Jr., Richmond, Va.

Kenneth T. Anderson, Emporia, Kans.
Marion A. Clawson, Eaton, Ind.
David G. Gault, Manor, Tex.

R. Watkins Greene, Abbeville, La.

Paul A. Dobson, Exeter, Calif.

R. D. Pennewell, Palmyra, Mo.

A. Lars Nelson, Seattle, Wash.

Arthur J. Smaby, Minneapolis, Minn.

Finally, Mr. Speaker, the names of several others who are also participating:

R. B. Tootell, Governor, Farm Credit Administration.

Harold T. Mason, Deputy Governor, Farm Credit Administration.

Glenn G. Browne, Director, Land Bank Service, Farm Credit Administration.

John T. Knox, fiscal agent, farm credit banks.

It was my great pleasure, Mr. Speaker, to be at the White House at noon today with the men whose names I have read. They presented to the President a special medallion in commemoration of the 50th anniversary of the establishment of the Federal land bank system, and honoring the President for his contribution to the improvement and growth of American agriculture.

I should like to include at this point the President's response, a response which reflected the President's continuing deep interest in our national farm welfare and problems. I ask unanimous consent, Mr. Speaker, that I may place in the Record the remarks made by President Johnson.

THE SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The remarks referred to follow:

REMARKS OF THE PRESIDENT TO REPRESENTATIVES OF THE FEDERAL FARM LOAN BOARD, THE ROSE GARDEN, THE WHITE HOUSE, APRIL 3, 1967.

Governor Tootell, Congressman Mahon, Mr. Knutsen, ladies and gentlemen:

Two weeks ago I sent a message to Congress on poverty in America. At the end of the message, I remarked that the poverty of the Thirties—the poverty of the dust bowl and the breadlines—was ancient history to most Americans.

More than half our population has been born since 1940. The New Deal's great struggle to provide job opportunities, subsistence for the aged, and the simple necessities of life for millions of American men and women is something that most of our population now knows only from hearsay and only second hand.

Still fewer of our people remember the farm depression that undermined the boom of the Twenties. That is so not only because of their age, but because of the very rapid and steady decline in our farm population over the past 40 years. A phrase like "farm credit system" does not strike a chord of recognition in most of our people today—particularly these young ones who were not here when it was being formed.

I am old enough to remember when Bill Myers came down here from Cornell and we had to work through the nights to get extra appraisers on the job down in some of the areas of our country, before they threw the Secretary of the Farm Association out of the window, when those insurance companies were foreclosing.

Nevertheless, the prosperity that most Americans have known in recent years is built in great part on our incredibly productive agriculture. And that, in turn, has been made possible by technology, hard work, and plentiful farm credit.

The majority of Americans may not be consciously celebrating the Fiftieth anniversary of the Federal Land Bank this year, but they are benefitting every single day from what you have helped to make possible.

Twenty years ago, the average family in America spent 26 percent of its after-tax income on food. Today, the average family doesn't spend 26 percent of its after-tax income on food—it spends 18 percent. The difference between those figures represents a tremendous advance in prosperity. It has come about because today's farmers can produce about as much before breakfast as their fathers did working all day, with the hand-caps that they had.

The benefits of this revolution in farm production are not limited to the grocery store or the family kitchen. Our foreign trade balance has been strengthened every year by our agricultural exports. The American farmer has helped meet his nation's moral obligation to the world's poor: since 1954, 145 million tons of American food has gone to feed millions of hungry people throughout the world.

Last Saturday I signed a Resolution that the Congress had passed on Food for India. That Resolution represents hundreds of millions of dollars of food that we will send to the starving people of that nation.

Obviously we must do more than preserve this asset. We must strengthen it. We must help it grow. The Food and Agricultural Act of 1965—one of the most reasonable, and at the same time one of the most imaginative farm bills that the Congress ever passed—is the main tool that we are using in America to do that.

Under it, net income per farm set a new record last year. The surpluses that depressed farm prices during the Fifties—most of them—have already been eliminated and they no longer cast a shadow hovering over that price to depress it.

Yet despite the advances we are making in improving farm income, farmers still lag a third behind the income of city people. They are caught in a vise between stable prices and rising costs.

I have heard some voices—completely non-political, of course—say that the Administration views this situation with complacency or satisfaction. Anything that will depress farm prices is said to be all right with us by some of our critics.

I guess you have to consider the source when you hear that statement. Farmers usually do. I used to hear Mr. Rayburn say that he would rather trust a farmer's judgment than nearly anyone else, because the farmer sat there all day on that tractor and he had a lot more time to evaluate, judge, and think than the man who got in his Cadillac and looked at the Wall Street Journal on his way to work for 30 minutes that morning.

Anyone who believes that a Democratic President, who was born and raised in a Democratic country, in a farm area, who grew up on a farm, walked four miles to school, and who spent 35 years among Congressmen and Senators from farm States, can look with any pleasure at all on declining farm incomes, is either pretty naive, or pretty misinformed, or he is looking for a political issue that doesn't exist.

We are trying to use the Act of 1965—and the four years of stability it gives us—to increase farm income substantially. There will be price fluctuations. There will be price frustrations. A lot of things contribute to it—one of which may have something to do with it now is the weather, the insects, and a few other things. But these—we believe, during this four-year period—will straighten out.

We are on a long uphill climb, and we are going to make it. The stakes are high. Years of continued prosperity for all of our people must be built on a healthy agricul-

ture. With reason, with determination, and with mutual understanding between producers and consumers, we cannot fail.

The credit problem has always been a farmer's number one problem—along with his prices. I think that we have been able to develop an efficient and effective credit situation. I am hopeful—during the period of this four-year program—that we can have a stable and improved price situation.

I think the American people—as well as all the others of the world, wherever they live—owe a deep debt of gratitude to the American farmer and to the credit system that has financed him. Thank you very much.

Mr. MAHON. Mr. Speaker, the Federal land bank system has been worth a great deal to the farmers and consumers of this Nation during the past 50 years. In my judgment, it will continue to mean a great deal during the years that lie ahead. As Members of Congress, we do credit to ourselves when we join in special commemorative ceremonies in the House of Representatives and elsewhere to lay as a mark of appreciation for the contributions of the many Federal land bank officials, employees, and farmers and ranchers through these last 50 years.

Mr. DOLE. I thank the gentleman from Texas.

Mr. ALBERT. Mr. Speaker, I appreciate the opportunity to join with my other colleagues and with the distinguished gentleman from Kansas in saluting the Federal land banks on their 50th anniversary. Last July 16, President Johnson described the act of July 16, 1916, the original Federal Farm Loan Act, as a "charter of financial independence for millions of American farmers."

This was a most appropriate description of the law which led to the establishment of the 12 Federal land banks, whose 50 years of service to the American farmer we commemorate today.

It has been amply demonstrated in my own State of Oklahoma, and indeed in all the other States and Puerto Rico, that farmers and ranchers who are in the forefront of production have learned to use private capital, acquired through the wise application of credit, as an agricultural tool of highest importance.

Effects of the Federal land bank system on the American economy are immeasurable, because as agriculture has progressed, there has not only come an ensuing abundance of food and fiber for the consuming public, but also the generation of thousands on thousands of jobs for men and women in the industries which supply the needs of farmers, and in other industries which process farm commodities for consumer use.

Our entire Nation owes a debt of gratitude to the farmer-owners of the Federal land banks and land bank associations, and especially to those who have served as local association directors or members of farm credit district boards. Nor should we be unmindful of the land bank employees and the personnel of the system's supervisory organization, the Farm Credit Administration, all of whom have contributed in various important ways to the progress of American agriculture.

Mr. Speaker, the gentleman from Kansas does a great service by taking this time to congratulate the Federal

land banks on their half century of service to the country. I am pleased to join him in the effort.

Mr. GERALD R. FORD. Mr. Speaker, I am proud to take part in this tribute to the tremendous contribution of American farmers to the general welfare of our Nation, and salute the land bank system for its part in making farmers' accomplishments possible over the past 50 years.

Former Congressman Clifford Hope, of Kansas, long a distinguished Member of this body, and for years the ranking Republican on the House Agricultural Committee, once said that he considered the legislation strengthening the farmer-ownership and control of the farm credit system to be the most important and helpful agricultural legislation conceived while he served in Congress.

I endorse that statement and commend the 12 Federal land banks and 700 Federal land bank associations for their service to their farmer-owners and agriculture generally, over the past 50 years. They have been a highly important factor in helping American farmers become providers of plenty.

Mr. POAGE. Mr. Speaker, the Federal land bank system has, for half a century, been an outstanding success. Of course, it was called socialistic when it was established just as comparable banks for rural electric and rural telephone systems are now called communistic by those who want to stop the progress of these institutions; but the land banks were not socialistic and 50 years from today history will record that the electric and telephone banks were not communistic.

The great and central factor in this type of credit is that the borrowers themselves will gradually come to own their credit banks. The land bank system has been completely farmer-owned for more than 20 years. The Government did furnish the original capital, without interest, but this capital has long since repaid out of the investments and earnings of the borrowers.

I think that the entire farm credit system, and particularly the land bank system, has established a wonderful record. This record could not have been established without sound and practical legislation. This was provided by the Congress way back in the administration of President Woodrow Wilson, and I think it is but fair to say that the Congress has continued to provide a practical program throughout the half century of land bank history.

This record could not have been established without the dedicated service of an intelligent and able staff, which the system has always enjoyed, and enjoys today, and I want to pay tribute not only to Gov. Robert B. Tootell, who has directed the affairs of farm credit so successfully for so many years, but also to his great predecessor, Hon. Albert Gross, who did so much to lay the foundations on which we are now building.

But in the final analysis none of these individuals could have accounted for the great success of the system had it not enjoyed the highest type of stockholder-borrowers—the farm and ranch people of America. Through good times and

bad these people, who currently subscribe the stock and make the loans, are the ones who have set an almost unbelievable record of collections and who have made it impossible for these banks to be other than a success.

Therefore, I am happy to join in extending congratulations and best wishes to the land bank system and to all of those who have contributed to the system on this its golden anniversary.

Mr. BELCHER. Mr. Speaker, under leave granted, I wish to insert in the CONGRESSIONAL RECORD, the following information on the Federal Land Bank in Oklahoma—First District:

Oklahoma was a very young state when The Federal Land Bank of Wichita received its Charter on March 1, 1917. The Wichita Bank, which serves Oklahoma, was the first of the twelve Banks in the Land Bank System.

In its early history Oklahomans put emphasis on oil and mineral exploitation, however, the long term credit made available at reasonable cost by Land Bank loans gave the state's agriculture a real boost. Prior to the Land Banks our farmers did not have reliable credit sources upon which they could plan a long range purchase or repayment program.

As was the case nationwide, farmers of Oklahoma organized associations and applied for the five percent long term Land Bank loans.

Dan F. Callahan, first President of The Federal Land Bank of Wichita, stated in September of 1917, that applications totaling \$4,626,897 had been received from the 100 associations rapidly formed in Oklahoma. By February of 1918, Milas Lasater, formerly a banker at Pauls Valley, later to become a Director, Vice President and President of the District Bank, reported that 1,162 loans had been made to Oklahoma farmers totaling \$2,285,700.

Through the foresightedness of the farmers in the First Congressional District, with their pressing need and desire to use this new dependable credit source to a good advantage, many of these loans were secured by them through their own local FLBAs, which brought financing and credit service conveniently to their immediate community.

Indicative of the extent to which Land Bank lending has assisted in the First Congressional District there are now outstanding loans to its farmers as follows:

Local association	Number of loans	Volume
Jet.....	188	\$1,867,000
Enid.....	566	8,000,000
Ponca City.....	373	6,102,000
Stillwater.....	420	3,827,000
Broken Arrow.....	570	5,160,000
Woodward.....	467	4,756,000

This makes a total of 2,584 stockholders with \$29,710,000 in loans at present in the First Congressional District. Many hundreds more have long since retired Federal Land Bank loans and have their farms and homes clear of all encumbrance.

The policy-making body of these local associations is a board of directors of local farmer stockholders duly elected by all the borrowers.

Currently, there are 8,242 loans with Oklahoma farmers and ranchers totaling 33.8 million dollars. During its first half century the Federal Land Bank of Wichita has loaned \$269,166,100 to Oklahoma farmers represented by 49,124 loans.

Out of the First Congressional District two outstanding farmers, Ben Swigart of Mooreland, Oklahoma, and Lyle Hague of Cherokee, Oklahoma, are serving as directors of the

Ninth Farm Credit District Board. Mr. Swigart is Chairman of the board. Another director from Oklahoma is Wm. D. Lakey, a farmer and banker of Sayre.

Agriculture of Oklahoma and the nation has become mechanized, more technical and more efficient during the ensuing fifty years.

Farmers and ranchers have used the capital for Land Bank loans to gain this efficiency and become Providers of Plenty for a hungry world.

We now see increased pump irrigation in the western part of the First Congressional District where rainfall has been a limiting factor. Clearing of land and soil improvement in the eastern part of the District is progressing rapidly.

There is much greater use of fertilizer recently throughout the state. Development of water resources and recreational facilities of the Arkansas and Red River Basins has improved home desirability while the number of part-time and smaller farms is increasing especially in the eastern part of the First Congressional District. Due to the abundant water supply and electricity produced being associated with cheap natural gas and coal, industry is being attracted with a related growth in population and need for more agricultural products. As a further impetus, navigation will soon bring in water transportation to Tulsa. Agricultural growth of the District seems assured.

Other Directors on the District Board are: Sherwood Culberson, Lordsburg, New Mexico; Harold W. Hancock, Rocky Ford, Colorado; James R. Isleib, Shawnee Mission, Kansas.

The Wichita District's representative on the Federal Farm Credit Board, the governing body of the twelve Farm Credit Districts and Land Banks is Kenneth T. Anderson, Emporia, Kansas.

The Federal Land Bank System is completing a fifty year success story and The Federal Land Bank of Wichita has carried well the distinction of being the original Bank. From its first \$5,000 loan to A. L. Stockwell of Larned, Kansas, the Wichita Bank now has 32,352 loans outstanding. These loans total over \$429.7 million.

Mr. STUBBLEFIELD. Mr. Speaker, in the 23 counties of western Kentucky comprising the First Congressional District are found some of the best farmland and the best farmers in the Commonwealth. One of the important factors in the development of this area's potential to its present high degree of productivity has been the availability of adequate low-cost farmownership capital since the Federal land bank system was established 50 years ago.

Before the district Federal land bank at Louisville, Ky., was chartered on March 23, 1917, and began its operations, this was not true. When these low-cost, long-term loans became available farmers were able to get a firm grip on the ownership of their land and to start their climb from the small farm horse-and-buggy economy then prevailing to their present highly efficient farm operations.

The leadership we have had in the Federal land bank system and the fine teamwork between the local, district, and national levels have made the system strong. Its cooperative structure has made it sensitive to the needs of the farm families it serves. I am well acquainted with many of the farmers, elected by their fellow members at their association annual meeting, who serve on the boards of directors of the three Federal land bank associations in my district. The Federal land bank associations—at Henderson managed by Stanley Hoffman, at

Elkton managed by Henry Bell, and at Mayfield managed by S. C. Hamlett—are among the largest in the State. Each manager has served his association for periods of from 17 to 32 years. Together they made loans totaling \$13 million in 1966 when money was tight and now have outstanding \$33.3 million in loans—more than one-third of Kentucky's total.

Heading the Federal Land Bank of Louisville as its president since 1959 is E. V. Landers. Born in Warren County, Ky., he is the first person to have risen through the ranks to become the bank's top executive officer.

I know my entire constituency joins me in paying tribute to the Federal land bank system on this its 50th anniversary on the fine service it has rendered American farmers.

Mr. MILLS. Mr. Speaker, as the Members who have preceded me have indicated, the Federal land bank system has proved to be one of the most valuable parts of our entire banking system. When it was established by the Congress in 1917 by the Federal Farm Loan Act as a farmer's cooperative credit system, it was to meet a definite economic need for a permanent and dependable source of sound farm mortgage credit at reasonable rates and under reasonable terms and conditions. The system has proved its worth and has contributed greatly to the development of the agricultural sector of our economy. It has served as a yardstick or a pacesetter in solving many of the problems in the area of farm mortgage credit. Many thousands of farmers throughout the Nation have obtained land bank loans for such purposes as the purchase or improvement of farmland and buildings; new construction and facilities; the refinancing of existing liens and other debts; providing a home for the farmer or his family; providing facilities for processing, storing and marketing farm products and handling farm equipment or supplies; and a host of other farm-related matters. These loans are secured by farm mortgages, and they are under terms and conditions which the farmers are able to afford. The repayment terms are flexible, the term of the loans can be over an extended period of time, they are at relatively low interest rates, there are a minimum of closing costs, and a number of other advantages. The original capital provided by the Government to get the system started has been repaid and the system is now completely farmer-owned and has been since 1947. Thus, each bank is now owned by its stockholders.

To indicate the extent to which this system has served its purpose and has indeed expanded over the years to meet the needs of farmers, I have some figures from the Federal Land Bank of St. Louis which covers the area of my district. In 1917, when the system was established, there were 901 loans closed in an amount of \$1,672,385, whereas in 1966, there were 5,423 loans closed involving \$138,948,735. Over the period from 1917 through 1966, 167,960 loans were made involving \$1½ billion. In February of 1927, there were approximately 29,000 loans outstanding in an

amount of over \$81 million, whereas in February of this year, there were over 35,000 loans outstanding involving nearly one-half billion dollars.

Mr. Speaker, this is a valuable part of our banking system, and I commend the officials of the various land banks, and particularly those whom I know in the Federal Land Bank of St. Louis, for a job well done.

Mr. QUILLEN. Mr. Speaker, agriculture is a basic industry in the First Congressional District of Tennessee. Here in the upper reaches of the Holston and French Broad River valleys sturdy, independent farm people have applied native ability and character to the task of making these fertile valleys productive and carpeting the hillsides with lush green pastures for their herds. Our east Tennessee farmers are more progressive today than at any time in history.

The dawn of better farming in our area began 50 years ago when Federal land bank loans first became available to our farmers. It was in early autumn of 1917 that the first land bank loan was made in upper east Tennessee. It was for \$3,000 to a Hamblen County farmer by the name of W. E. Bailey. Many of the loans made that first year were for amounts of \$1,000 or less and the maximum amount that could be loaned to any one farmer was set by law at \$10,000. Through the years this loan limit has been wisely increased by the Congress to meet the ever increasing long-term credit needs of farmers. It was through the Federal Land Bank Association of Johnson City that the first \$100,000 loan was made in Tennessee and the first loan was made to a farming corporation.

The three counties of Tennessee's First Congressional District are served by two locally controlled and locally owned Federal land bank associations. They have their main offices at Johnson City and Dandridge and maintain eight additional offices to bring prompt and convenient loan service to every farming community in the district. Annually these associations make farm real estate loans in the amount of more than \$3.5 million. They now have outstanding nearly \$13 million to more than 1,200 farm families.

Money loaned by the Federal land bank is particularly helpful to east Tennessee because it is brought in from the Nation's big money markets and goes through the hands of several businessmen before it leaves the community. This is done without a cent of cost to the Government—for land bank loan funds are obtained from the sale of land bank bonds on the money markets.

Mr. Speaker, especially important in my area is the pacesetting policy of the land bank in recognizing dependable off-the-farm income in appraising farms for loans. Hundreds of nice homes have gone up out in the country all over east Tennessee as a result of this policy. The pioneering work done by the Federal land bank system in improving credit service to farmers has indeed been a valuable force in helping our farmers become more progressive and successful, and I am proud to join my colleagues and extend my sincerest best wishes on this 50th anniversary of the Federal land bank and farm credit system.

Mr. GOODLING. Mr. Speaker, this is the golden anniversary of the Federal land bank system, and those who have supported this system herald 1917 to 1967 as "a century of progress."

This claim is eminently justified because farmers currently are using in excess of \$5 billion through the land bank system, and during the first half century of the system's operation, some 2 million farmers have borrowed more than \$12 billion from the Federal land banks. And because of the cooperative nature of the system, farmers—as stockholders—have received in excess of \$125 million in dividends during this period.

It is important to note that the Federal land bank system was created with a desire to create a private, rather than a public, farm mortgage credit institution, and the result was that the system was set up in such a fashion that it could become investor owned.

In operation, a unique device was instituted where those who use the system are required to make an investment in the system serving their interests. Farmers are required to purchase stock in the local land bank associations, their purchases representing 5 percent of the value of the individual's loan.

This function has been so successful that since 1947, the Federal land banks have been completely farmer owned. And as it operates, it is recognized to represent a truly cooperative system, one that involves the farmer, the private financial community, and the Government.

It also should be said that the Federal land bank system is part of the Farm Credit Administration, which functions at no cost to the American taxpayers—the costs of the Farm Credit Administration are paid from earnings of the banks that are supervised by the Farm Credit Administration.

Low-cost, long-term credit has always been vitally important to a farm operation. As an ability of the farmer to borrow in the past was important, it is even more important in this day and age of technological advancement on the farm. The farmer going into business today is confronted with obtaining an array of high-cost machinery, for without it he could not either operate his farming operation efficiently or meet successfully his competition in the agricultural marketplace.

The American farmer today is recognized by the world as being something of an agricultural magician, producing the miracle that sees him turn out enough food for himself and 37 others. This accomplishment can be appreciated when it is realized that in Russia—and some agriculturally advanced countries of Europe—the farmer produces enough food for himself and only a few others.

The genius of the American farmer for agricultural production must be given full recognition; however, it also should be noted that he has had the advantage of the most efficient facilities of production. Give a good man good tools and materials, and you get good results. This is what has happened in American agriculture, and the Federal land bank system has—by making funds available to

the farmer—played a dynamic part in the drama of American agriculture.

Mr. Speaker, in this day and age of ever-broadening Federal participation in all things, the story of the land bank system is a refreshing exception. In most cases, the Federal Government becomes more and more involved in things. In the instance of the Federal land bank system, however, the Federal Government has been gradually and definitely ushered to the sidelines.

Congratulations and happy anniversary to the Federal land bank system.

Mr. CRAMER. Mr. Speaker, I am pleased to have an opportunity to pay tribute on the occasion of the 50th anniversary of the Federal land banks and farm credit system; and to welcome to Washington, the members of the Federal Farm Credit Board and the boards of directors of the 12 farm credit districts who have met here to celebrate this anniversary.

Since the passage of the Federal Farm Loan Act in 1916, and the subsequent legislation extending the original act, the farmers and ranchers of America, with the able leadership and financial assistance of the Farm Credit Administration, have made extraordinary agricultural progress, and have made valuable contributions to and become an essential part of our national economy.

This achievement is an excellent example of the workings of our American system and the role of our Federal Government; that is, to establish the means, but with a minimum amount of supervision, to enable a major segment of our economy to help itself through its own initiative, leadership, and credit arrangements.

I am glad to join in this 50th anniversary celebration, and I congratulate all who have made this possible.

Mr. WILLIAMS of Pennsylvania. Mr. Speaker, this year marks the 50th anniversary of an active and essential program for farm financing—the Federal land bank and farm credit system. Until the passage of the Federal Farm Loan Act of 1917, farmers had suffered the problems of tight money, uncertain credit and little security. They had been pressured by the inexorable advancement of the economy of the country to expand, grow and keep up; to modernize and mechanize, yet the very institutions of the economy they served so well did not provide them with regular and sufficient capital they needed for such undertakings.

We measure the success of this program by what it has done, is doing, and will continue to do. Aside from the millions of loans granted since 1917 totaling billions of dollars, the program has ushered into the picture of agricultural credit new ideas and new methods of accessibility to money for the farmer, as well as new, realistic schedules of repayment. We note with gratitude the actual deeds of assisting the farmer through the depression years and helping him to keep abreast of necessary expansion in production during World War II and since. Aside from the instances when emergency situations called for immediate action, the organization has adequately

served farmers and society in the more nearly normal periods also.

Today, over three-fifths of the farm operators in the Nation use credit. Obviously the business of the farm credit associations has not dwindled. Other figures reveal that since World War II, loans for the initial purchase of land have, on the average, more than doubled in size.

Pressure continues for the farmer to expand his acreage and proceed toward a program of total mechanization. Land prices are high, as are those on equipment and other essentials. Thus, capital requirements of modern farming are already high and further escalation has to be anticipated. The Federal land bank system and the associations, having weathered a rough first 50 years successfully, can look forward to further service for an indefinite period ahead. The system has served a vital purpose in American agriculture and has served it very well indeed. We congratulate those farm financiers on the first 50 years and wish them well for the years ahead.

Mr. SKUBITZ. Mr. Speaker, at the end of 50 years of successful operation, the land bank system is well known and highly respected in the 23 counties of southeast Kansas which comprise the Fifth Congressional District. Here, as in all areas of the United States, farmers are now provided with long-term loans through their own local organizations known as Federal land bank associations.

During this past 50 years, the land banks and the land bank associations have developed an extremely efficient system for funneling funds from the money markets to individual farmers at a rate of interest that is comparable to what people in other industries pay for borrowed capital.

This southeast section of Kansas is a diversified farm area in which a high percentage of the operators own most of the land they operate. Principal crops are corn, alfalfa, soybeans, some wheat and feed grains. Most operators also produce a substantial amount of livestock.

Fifty years ago when the Wichita Federal Land Bank was chartered, as a matter of expediency in getting badly needed long-term funds to farmers in a short period of time, numerous small associations were organized, often times with no more than 12 or 15 charter members. During the ensuing years as they gained experience, these small associations were gradually merged until presently there are five associations staffed with full-time, well-trained personnel serving the 18 counties in this congressional district. These offices, located at Eureka, Fort Scott, Parsons, Emporia, and Wichita, are servicing a total of 2,960 loans with an outstanding balance of \$30,244,000.

The 24 associations in the State of Kansas have a total of 15,929 loans with an outstanding balance of \$175,531,000. In the Wichita District, which covers Kansas, Oklahoma, Colorado, and New Mexico, there are a total of 63 such land bank associations currently serving 32,300 loans with an outstanding balance of \$435,000,000.

The use of borrowed capital as a production tool is increasing rapidly, and

while the part this system has played in the development of America's agriculture cannot be overstated, many believe its contribution in the future may be even greater.

Mr. RAILSBACK. Mr. Speaker, it is highly appropriate that we pause today and pay tribute to "American Farmers—Providers of Plenty" and the Federal land bank system that, along with many other organizations, has helped farmers contribute so much to this Nation's welfare during the past half century.

Today, agriculture in America is experiencing the greatest change in history, and its pace during the past quarter of a century has been astonishing. How different would be the American way of life if in the last 50 years farmers had not made such tremendous strides in improving their efficiency.

Could we possibly have developed our vast industrial production or explored our outer space if one out of every four Americans was still working on the farm to produce the food we eat and the fibers for the clothing we wear?

This would be the situation if farmers had stood still in the last half century. There are many countries in the world today where it takes many more than every fourth person to produce even a subsistence level of food. Instead, here in the United States the average farmer feeds himself and 37 other people. As a result, we are able to enjoy the luxury of having people produce the thousands of things that give us the highest standard of living in the world.

I am proud to represent the progressive farmers of the 19th Congressional District of the State of Illinois, who help to make it one of the most productive States in the Union. We produce more soybeans than any other State and Illinois is a top producer of corn, cattle, and hogs.

The farmers in my areas use large quantities of credit in order to adopt the most modern production methods and improve their farms. A large portion of this credit is made available by the Federal land bank associations at Galesburg, Keewanee, Monmouth, and Morrison. These local associations are owned and run by farmers. Through them and other associations like them in Illinois, Missouri, and Arkansas, farmers own all the capital stock of the Federal Land Bank of St. Louis. This bank, along with 11 others, lends money to farmers by selling bonds to investors in our financial centers, without any Government guarantees.

The ready availability of large supplies of credit from our financial centers through the Federal land bank associations and other parts of the farm credit system, has made it possible for farmers in Illinois and other states to modernize and increase the efficiency of their farms. These farmers have, in effect, substituted capital for labor and, thus, have released workers to our factories and service organizations in the cities.

It is with much pride and pleasure that I salute the Federal land bank system on its 50th anniversary and commend it for celebrating this occasion by

paying tribute to "American Farmers—providers of plenty"—the people it serves—its owners and operators.

Mrs. HANSEN of Washington. Mr. Speaker, I am very pleased to take part in this special order commemorating the 50th anniversary of the Federal land bank system and saluting the farmers of America. Federal land banks have contributed much to American agriculture by providing a sound credit system suited to the special needs of farmers.

Fifty years ago, it was extremely difficult for farmers to obtain credit. The creation of the land bank system recognized that farming, like any other business, requires large amounts of capital. By providing long-term, low-interest loans, the Federal land banks made it possible for American farmers to make the capital investments necessary to the progress of agriculture in this country.

Since its inception, the Federal land bank system has pioneered in farm mortgage lending, and its innovations have brought millions of dollars of savings to all who use farm credit.

The Federal Land Bank of Spokane in my State of Washington is also in its 50th year of service and I would like particularly to pay tribute to it. Since 1917, the bank has extended over a billion dollars of credit to more than 120,000 farmers and ranchers in its five-State area of Washington, Idaho, Oregon, Montana, and Alaska. Last Friday, March 31, 1967, there were some 25,000 loans in the banks loan account, totaling almost \$430,000,000. This makes the Federal land bank one of the largest financial institutions in the Northwest.

In my district of Washington State, the Federal land bank in fiscal year 1966 closed almost 200 loans to farmers and ranchers in the Chehalis, Vancouver, and Elma areas, for a total of more than \$3,000,000.

The Federal Land Bank of Spokane, like other Federal land banks, was originally capitalized by the Federal Government. In 1945, the Spokane bank paid off its Government indebtedness and became entirely farmer owned. The Spokane bank has paid more than \$10,000,000 in dividends to the local farmer-owned Federal land bank associations which make and service its loans. The bulk of the dividends have been passed on to the farm and ranch members who are the bank's borrowers.

Mr. CASEY. Mr. Speaker, on behalf of the people of Houston and Harris County, I join with my distinguished colleagues in expressing best wishes on this 50th anniversary of the Federal land bank and farm credit system.

We are proud of its many years of service to our people, not only within my own 22d District, but throughout our State and our Nation.

The Federal Land Bank of Houston has furnished me with some information about its loan service to farmers and ranchers in the 22d Congressional District of Texas and throughout our State. My district covers the south part of Harris County. As most of you know, the city of Houston occupies most of the county. In spite of this fact, however, agriculture makes an important con-

tribution to our economy because our soils are rich, our growing season is long, our farmers are progressive and our markets are good. Total farm income for the county exceeds \$21 million per year.

The Port of Houston is the third largest port in the Nation, exporting more than 11 million tons of cargo per year. Sixty-one percent of these exports are agricultural products. Total grain export movement through the Houston Port exceeded 6 million tons in 1966.

We have more than 95,000 head of cattle in Harris County. We produce about 900,000 barrels of rice, 3,500 bales of cotton, as well as feed grains and vegetables. About 60,000 acres of our country is irrigated. Our agricultural units range from a ranch containing more than 10,000 acres down to vegetable farms containing only a few acres.

Agricultural progress has come very fast in the past 50 years. Our farmers, like other farmers in the Nation, have borrowed large sums of money to keep their operations productive and to increase the size of their farms to maintain an economic unit.

The Federal land bank system was organized 50 years ago to meet this need and provide a dependable source of long-term credit for the American farmer. I am told that since 1917 the Federal Land Bank Association of Houston, which makes and services loans in my area, has made 972 loans for more than \$7,750,000 in Harris County and now has outstanding more than 650 loans for over \$16 million in the 13 counties it serves.

Agriculture is the Nation's largest industry and is basic to our welfare. It is a pleasure for me to join the Federal land bank system in saluting America's farmers: providers of plenty.

Mr. SCHWENGEL. Mr. Speaker, I take a great deal of pride in sharing in this recognition of the 50th anniversary of the Federal land bank system, particularly since the anniversary observance is dedicated to "America's Farmers: Providers of Plenty." Agriculture is the basic industry of Iowa. Eight out of 10 Iowa workers depend, directly or indirectly, upon agriculture for their jobs.

Much of the progress of our great Nation can be attributed to agriculture. During the first 150 years, we largely were an agrarian society. But that has changed so that today it takes considerably fewer farmers to make our Nation the best fed in the world. This progress has been possible because farmers and ranchers have taken management, labor, and capital and combined them into an increasingly efficient food-producing industry.

Iowa has some of the best farmland in the country and is one of the leading producers of agricultural products. For instance, Iowa has about 25 percent of the Nation's grade A land, and its farmers regularly produce 10 percent of the country's food supply. In 1965, Iowa ranked second in cash receipts from all commodities with a total which exceeds \$3 billion. Iowa ranks first in livestock receipts with almost \$2.5 billion, and sixth in all crops with \$700 million.

Obviously, then, agriculture is all important to Iowa. Every \$1 in farm income generates at least \$3½ income up and down main street, in factories and offices of Iowa towns and cities. This economic fact is the weather vane for Iowa's future.

To produce in such abundance, farmers in Iowa have invested tremendous amounts in their operations. It is not uncommon for a farmer to have \$100,000 invested in land, buildings, equipment, crops, and livestock in order to produce an income which will adequately support his family. These farmers cannot now generate all of the capital they need from their own savings, but have come to rely on dependable sources of credit—one of these being the Federal Land Bank of Omaha and the 36 land bank associations which serve the State of Iowa.

The land bank is now one of the major sources of credit for Iowa farmers. Last year they borrowed almost \$64 million from the Omaha Land Bank. Much of this was used to purchase land. And in a State where land values have increased more than 20 percent from 1960, it is increasingly important that credit be readily available so that they can continue their outstanding record of efficiency in the production of food and fiber.

It is indeed a pleasure for me to pay tribute to the Federal land bank system for the important role it has played in Iowa agriculture. By teaming up with agricultural producers the system has helped to make agriculture dynamic and progressive in Iowa and other parts of this great country of ours.

Mr. KYROS. Mr. Speaker, farming in Maine has changed considerably since the Federal land bank system was instituted 50 years ago.

And how it has changed, at least in one area, is evidenced by figures supplied by Richard A. Files, general manager of the southern Maine Federal Land Bank-Production Credit Associations.

Referring only to statistics for the State's nine southern counties, and those from 1940, he points out that whereas, in 1940, dairying, poultry farming, and cropping were virtually split evenly in thirds, today finds dairying accounting for 85 percent of the area's agricultural economy.

Dairy farms now average perhaps 300 acres, half of which may be tillable. And herds probably average 35 to 40 cows, though there are those of 100 head and more.

Twenty-five years ago, farms averaged roughly 200 acres, 100 of which could be tilled. And herds ranged upward from as few as four and five cows.

The future of the dairy business in southern Maine is considered "very good" by Mr. Files. He notes:

We're going to be producing more milk from fewer farms, but that's in keeping with a national trend.

One of the biggest changes in the last decade, Mr. Files thinks, is in the transition from independent to contract poultry farming.

The independent producer is all but a thing of the past—

He says, adding—

The laying hen and broiler business are in the same boat; all of our broilers in this area are now raised by the man who also processes them.

Still, family farms are the order of things in southern Maine, and farm credit's Mr. Files thinks this feature will persevere.

Besides dairying, southern Maine is noted for its potatoes, apples, and garden crops, although the latter—string beans, lettuce, tomatoes, and so forth—as a pertinent agricultural endeavor in the area is on the wane.

In the year 1966, Mr. Files notes he loaned, through his production credit facilities, \$215,000 to farmers owning between 800 and 900 acres of potatoes. Virtually the entire crop was earmarked for the chip industry.

In addition, the office loaned \$120,000 to men raising 1,100 acres of garden crops, and made available \$340,000 to orchardmen who picked a healthy 485,000 bushels of apples, all of which was sold as fresh fruit.

In the last 25 years, the production credit association located in Auburn has loaned in the neighborhood of \$35 million. In 1966, some \$2½ million was loaned, Mr. Files muses.

Where the Federal land bank was concerned, an average of something under \$200,000 a year has been loaned over the quarter century, he adds.

Chances are, dairying, as noted, will continue to be a significant farming operation in southern Maine for years to come. So, too, potato farming.

In short, Maine has been, is, and will continue to be, a farming State of some significance. Farmers are becoming fewer, farms bigger and specialization more significant. But withal folks in the area are certain, the Pine Tree State will ever hold its own in the hierarchy of American farm areas of import.

Mr. DUNCAN. Mr. Speaker, Tennessee's Second Congressional District is an example of progressive industry and progressive agriculture working together for the good of the area. Fanning out from the key city of Knoxville, to the Kentucky line on the north and the Smoky Mountains on the south are the counties of Anderson, Blount, Campbell, Claiborne, Knox, Morgan, Scott, and Union, comprising this district.

This important industrial metropolis serves as a central market for tobacco, livestock, and other farm products. The educational and job opportunities provided by the University of Tennessee, the Tennessee Valley Authority, the Oak Ridge Atomic Energy program, and other major industries make the area one that can best be described as having an industrial nucleus with an agricultural flavor. The major farm products of the area are beef cattle, dairy, and vegetables.

Life on the farm has every advantage of life in the city with the modern brick houses springing up on the countryside in great numbers to replace the old familiar two-story frame houses of 50 years ago. For 50 years now the farm economy of my section of the Tennessee Valley has been benefited by the services of the Federal land bank system. The nine counties I represent are by coincidence the same identical counties as are

served by the Federal Land Bank Association of Knoxville.

Fifty years ago this summer the first Federal land bank loan was made in the Stock Creek area of Knox County. It was for \$1,000, an amount which I am told was sufficient to finance the ownership of a farm in that area in those days. Through the years this association—and its predecessor called National Farm Loan Association—has provided farmers with a dependable source of credit for the ownership of their land. Particularly was this service valuable in saving many farms from foreclosure during the depression and in setting the pace in lower interest rates and better terms on farm loans. Today the Federal Land Bank Association of Knoxville has more than \$6 million in loans to the farm families of the Second Congressional District. This is an average of some \$12,000 per loan—a far cry from the first loan of \$1,000 50 years ago.

Many farmers who once spent full time with their farm operation now work either full or part time at other jobs in today's complex economy. Better machinery, new technologies, and greater efficiency has made this possible along with the higher standard of living that has resulted. The Federal land bank's contribution to this change in agriculture in our area has been its financing of new homes and land for these part-time farmers. I am convinced that the Federal land bank system will continue to lead the way in improving long-term loan services to families by reason of its sensitivity to the needs of these families, each one of whom is a voting member of the local Federal land bank association through which it gets its loan.

Mr. FINDLEY. Mr. Speaker, a vital part played in the success of the "American dream" was the ability and willingness of the citizens and Government to promote programs that are mutually beneficial. This is the heritage of innovation and initiative of those who faced problems with vigor and who put faith in the might of the individual. It is that type of cooperation that has made our system work, while those who suppressed such incentives, proved failures. An excellent example of the success which contributed to the extremely high level of agricultural productivity is the remarkable work of the Federal land bank and Farm Credit Bureau initiated during the First World War. I am proud to acknowledge their golden anniversary of achievement. They rightly share in the honor that has made American farmers the most successful in the world.

In 1916, a group of prominent individuals interested in the plight of farmers met with success in getting Congress to approve H.R. 15004. This bill established the Federal farm loan program to help the farmer obtain much needed financial credit. The technical and scientific revolution at the turn of the century had stimulated progress not only in the cities but in the rural areas as well.

New methods were devised to increase yields. New machinery was developed to save valuable manpower and time.

Enterprising individuals offered a plan to Congress that would help the farmer use these tools of progress. It was a relatively simple plan. Under it the Federal Government provided the incentive—a fund from which farmers could draw for long-term credits at prevailing interest rates. To offer a sense of participation the program also provided the borrower a share of the general fund, paying a dividend on the invested stock.

I am happy to note that in my own 20th District of Illinois participation in this program has been substantial. During the past 6 years about 60 percent of the farmers received Federal loan bank credits in the Pittsfield area and 71 percent in Macomb—with nearly 50 percent in Springfield. The amounts varied—but they were substantial enough to be of significant help to my farmer constituents.

The golden anniversary of farm credit is a proper time to reflect on the golden achievements of those who till the soil and the financial institutions which made possible the achievements.

Mr. CLEVELAND. Mr. Speaker, it is with great pleasure that I join my colleagues today in noting the 50th anniversary of the Federal land bank system.

Federal land banks, with provision for farmer ownership, were first established in 1917, following Congress' passage of the Federal Farm Loan Act of 1916.

Since then, our land bank system has grown from humble beginnings to a giant system which has had much to do with the prosperity of rural America. Today, owned by the farmers it serves, the system is a fine service business, providing \$4.7 billion in loans to 389,744 farmers throughout the United States.

It is especially significant as we mark this year's anniversary, that the Congress has continually sought to strengthen and broaden the Federal land bank system since passage of that first landmark piece of legislation.

Subsequent legislation broadened that original system into a complete credit service and has since reaffirmed the intent of Congress to make the farm credit banks an integral part of private enterprise in the United States.

Today it is indeed a model business and at the same time a vital and vibrant part of our agricultural industry. There are included in its scope, 12 Federal land banks and 700 local Federal land bank associations which make long-term mortgage loans to farmers; 12 Federal intermediate credit banks and 460 local production credit associations, which make operating and working capital loans to farmers; and 13 banks for co-operatives, which provide complete loan and counseling service to farmers' co-operatives.

I might also point out that this is done without great cost to the Federal Government, as these loans, through the years, have been repaid with an exemplary low-loss ratio.

In my own Second District of New Hampshire, the Federal Land Bank Association of St. Johnsbury, Vt., serves many farmers in Coos, Grafton, Sullivan, and Cheshire Counties, as well as those

in Vermont. At the beginning of this year, this association was serving its farmer member-owners with more than \$9.2 million in credit.

As this great system passes its 50th year of service to our Nation's agricultural interests, I salute with pride its growth, and join my colleagues in hoping for its even greater prosperity in the years to come.

Mr. BROWN of Ohio. Mr. Speaker, on this the 50th anniversary of the Federal land bank system, the Federal land bank is the largest farm real estate lender in the area covering the Seventh Ohio Congressional District. Three associations serve this area: at Bellefontaine, Ohio, serving Logan and Union Counties and managed by D. L. (Bud) Bourgeois; at Washington Court House, Ohio, serving Madison and Clinton Counties and managed by Richard Whiteside; and at Springfield, Ohio, serving Champaign, Clark, and Greene Counties and managed by Earl Skillings.

These associations are the outgrowth of single associations started in each county in the early 1920's. There has been tremendous growth since these associations began. The early associations were started by 10 members with \$20,000 in loans. Today these three associations have a total loan volume outstanding of \$37,000,000 with 1,700 members. They have served in excess of 5,000 members with upwards of \$90,000,000 in credit since their inception. This is a rich agricultural area in Ohio, lying between the highly industrialized areas of Dayton and Columbus. This represents a cross-section of the type of rural people being served by the Federal land bank system throughout the country.

The Washington Court House Association has the largest loan volume outstanding in the fourth Farm Credit District, comprised of Ohio, Indiana, Kentucky, and Tennessee. The Bellefontaine association has one of the best collection records in the entire country, currently with 54 consecutive months without a delinquent loan. This reflects the fact that Federal land bank farm real estate loans are made to dependable farmers, are geared to meet their needs and repayment ability in good, average, or poor times and are long-term loans with repayment schedules of up to 40 years. This is one reason why Federal land bank bonds are so popular with the investing public.

These farmer-owned and farmer-controlled associations are following the democratic cooperative spirit. There are five board members serving the Springfield Association: Mark J. Bingham, president; Raymond Kemper, vice president; Roger J. Mahan; Russell Jenkins; and Gilbert Locke. The seven members of the Washington Court House Association's board of directors are: Bernard Conway, president; Stanley Dray, vice president; John L. Craig; Herbert M. Peterson; Wilbur C. Hidy; Lesley S. Laird; and Benjamin W. Terrell. The six board members representing the Bellefontaine Association are: James C. Rickard, president; Gerald Ludwig, vice president; Roy Davis; Walter M. Burns, Jr.; Stewart Ward;

and Norman Reams. The Bellefontaine Board ranges in age from 34 to 53, making them one of the youngest farm co-operative boards in the State. They are elected by written ballot for a 3-year term. This board can serve a maximum of 12 years, offering other members an opportunity to serve. These farmers produce corn, soybeans, wheat, and sugarbeets and have dairy, hog, and beef livestock programs.

Reflecting the use of land bank credit in this area, there have been 36 loans of over \$100,000 made in the Seventh District in the past 2 years but small, \$2,000 loans are not uncommon. The average loan is about \$22,000. To further show the soundness of the land bank lending program, these three associations have paid over \$600,000 in cash dividends to their members in the past 20 years. Interest rates have been kept to the lowest possible cost. One of the reasons for such efficiency is the small number of full-time employees who maintain the total loan volume of \$37,000,000. Only eight people are employed by the three associations.

Mr. J. J. Anderson, a resident of Union County, is the associate regional manager serving the Seventh District along with other districts in the State for the Federal Land Bank of Louisville. At a recent meeting in my district, E. V. Landers, president of the Federal Land Bank of Louisville, said that this is an area where there is a fine balance of industry and agriculture, giving strength to the overall economy. He congratulated the farmers for being among "America's farmers—providers of plenty." Mr. Speaker, I am very pleased to add my personal congratulations to the farmers and their associations in the Ohio Seventh District for a job well done.

Mr. BROTZMAN. Mr. Speaker, I wish to join my colleagues in commending the gentleman from Kansas [Mr. DOLE] for the fine speech he has given us on the outstanding work of the Federal land bank.

The Federal land bank is now 50 years old. During the course of its development, it has proved to be a unique example of cooperation between the Federal Government, the financial community, and agriculture in providing necessary capital to American farmers to enable them to become the world's best producers.

The Federal land bank grew out of a need for long-term investment capital for agriculture at low interest rates. Today, the various farm credit and loan boards established since the formation of the Federal land bank have been grouped together under the supervision of the Federal Farm Credit Board and the Farm Credit Administration.

Mr. Speaker, the outstanding system of cooperative farm credit established here in the United States undoubtedly is one of the factors contributing to the rapid growth of American agriculture. The resources made available to the American farmer and his skillful development of those resources has made him not only the provider of food and fiber to his own Nation, but to the world.

I am pleased to associate myself with

the remarks of the gentleman from Kansas [Mr. Dole] and I am grateful for this opportunity to join in commemorating the golden anniversary of the Federal land bank.

Mr. ANDERSON of Illinois. Mr. Speaker, as the Representative of the 16th Congressional District of the great agricultural State of Illinois, I am glad to have this opportunity to salute American agriculture and the Federal land bank system.

The past 50 years, during which the Federal land bank system has been serving farmers so well, have been marked by a tremendous increase in farm efficiency. Today, the average farmer feeds himself and 37 other people. At the turn of the century, a farmer could feed only four other people. If every fourth person still had to farm, we would have far fewer automobiles, TV sets, washing machines, and many other conveniences—marks of our high standard of living. The markers of our modern wonders, including our space scientists, might well be still "down on the farm" producing their own food.

In the last 50 years we have seen farming become a highly scientific, highly mechanized operation, challenging the best of farmers' management skills. Farmers have been quick to put to use the discoveries of our research laboratories and our inventors who developed new machinery and other technology. Our farmers rapidly have substituted capital for labor.

The availability of credit through the Federal land banks and other parts of the farmer-owned farm credit system has been a major factor in enabling farmers to step up their production so rapidly.

In the 16th Congressional District farmers obtain long-term mortgage loans through three local, completely farmer-owned, Federal land bank associations located at Morrison, Freeport, and Oregon. The money farmers borrow comes from investors in the cities who buy the securities issued by the Federal Land Bank of St. Louis and 11 other similar banks which, together, serve every agricultural county in the country.

I am proud of the fact that farmers in Illinois produce more of that Cinderella crop—soybeans—than farmers in any other State. Farmers in Illinois also make it one of the top producers of corn, beef, and pork. Just in the past 10 years, farmers in Illinois have increased their corn production yields per acre by 64 percent. And we had mighty good corn yields on our rich Illinois land long before that. Soybean yields are also up 26 percent in 10 years. It is no wonder that the value of Illinois farmland and buildings has risen 73 percent in these 10 years.

At the end of the last fiscal year 35,000 farmers in Illinois had nearly \$450 million in long-term mortgage loans outstanding through their land bank associations. This was an increase of over 80 percent in 10 years.

I am delighted that the land bank system chose to observe their 50th anniversary by dedicating 1967 to a salute to "American farmers—providers of plenty." As a representative of the

great agricultural State of Illinois, I gladly join in that tribute.

Mr. MYERS. Mr. Speaker, I would like to join my colleagues in commemorating the achievements of the Federal land bank system during the half century it has been in existence.

As a farmer and banker, I appreciate the fact that America's remarkable agricultural progress over the past 50 years has been due in large part to the sound farm financing and modern business methods made possible by the Federal land banks.

In my home State of Indiana, there are currently more than 26 Federal land bank associations with nearly \$200 million in outstanding long-term real estate loans to some 15,400 Hoosier farmers.

The land banks opened the way for farmers to achieve financial independence. During the past 50 years, they have served more than 2 million farmers with loans totaling about \$12 billion.

Farmers and others interested in agricultural credit agree that over the years these banks have made a significant contribution not only to agriculture but to our Nation's entire economy as well.

Farmers are using this money for purchasing new farm property, improving buildings and land, refinancing existing real estate and chattel mortgages, financing college educations for their sons and daughters, and for many other purposes contributing to increased agricultural efficiency.

Few institutions have had greater impact on, or contributed more to their respective fields of operations than has the Federal land bank system. For that reason, it is fitting we salute this program and the Nation's farmers who have made this a splendid working model of how, under appropriate governmental supervision, private capital is put to work to benefit our entire economy.

Mr. POLANCO-ABREU. Mr. Speaker, it is a privilege for me to participate in the commemoration of the 50th anniversary of the Federal land bank and farm credit system which has financial and personal significance to many farmers in Puerto Rico.

The land bank operations commenced in Puerto Rico during the year 1922. The bank started functioning in Puerto Rico as a branch of the Second District which also covers the States of Pennsylvania, Maryland, Virginia, West Virginia, and Delaware.

The establishment of the land bank system was well received in Puerto Rico since farmers at that time were in great need of long-term agricultural credit. Money for long-term financing was available at that time from private individuals at very high interest rates and with no amortization plan. When the land bank started in business a new era became available to the farmers because through the amortization of interest and principal they saw a hope of getting out of debt and thus retaining their farms. The establishment of the land bank system helped to lower the general structure of interest rates in Puerto Rico.

The bank operated as a branch bank from 1922 to 1950. In that year a congressional act of 1949 became effective which permitted the organization of the

National Farm Loan Association, now, the Federal Land Bank Association, thus delegating to the farmers a number of servicing functions which heretofore were handled by the bank.

The close coordination that exists between the bank and the Federal Land Bank Association has proved very successful and of benefit to the farmers of Puerto Rico. This is evidenced by the fact that the Federal Land Bank Association of San Juan is the largest in the system with an outstanding volume of loans of \$46,000,000, serving 2,800 Puerto Rican farmers. The association maintains six field offices located in key agricultural areas to serve farmers in a more effective manner.

Since organization to date the bank has made loans in Puerto Rico to 12,700 farmers in the aggregate amount of \$115,000,000. Farmers who are members of the Federal Land Bank Association of San Juan are pleased and proud of being members of the land bank system which has been so beneficial to many farmers in Puerto Rico.

Mr. CUNNINGHAM. Mr. Speaker, on the 50th anniversary of the Federal land bank system, I am pleased to call attention to the contributions which this financial institution has made to the economy of the State of Nebraska as well as the entire Nation.

The Federal Land Bank of Omaha serves the States of Nebraska, Iowa, South Dakota, and Wyoming, and with more than \$650 million in loans outstanding, it is the largest of the 12 land banks in the Nation. Because agriculture is a large and dynamic business in the midlands, it is fitting that the Omaha Land Bank should be a leader in this nationwide system.

The city of Omaha, Nebr., is centrally located in a prime agricultural area and properly carries the title, "Agribusiness Capital of the Nation." Farmers and ranchers of the midlands look to Omaha for markets—the city is the home of the world's largest livestock market, a substantial grain market, and an important food processing center. Farmers and ranchers also look to Omaha as a supply center—machinery, fertilizer, chemicals, petroleum, and feed are distributed from Omaha in tremendous quantities.

Likewise, Omaha is an agricultural finance center, and it serves four of our Nation's most productive farm States. The Federal land bank, its companion farm credit banks, and the commercial banks of Omaha are providing vast amounts of credit for midlands farmers and ranchers. Agriculture has used borrowed money to purchase the equipment and improve the land in order to make U.S. agriculture one of the most efficient industries in the world.

The Federal Land Bank of Omaha, as a leader in providing long-term farm credit, presently serves more than 50,000 midlands farmers and ranchers. Last year the land bank provided over 45 percent of the agricultural mortgage money borrowed from major lenders in Nebraska. In bringing outside private capital into our area, the land bank has not only served agriculture but has also helped develop the entire economy of the midlands.

The land bank system has had a proud heritage of faithfully serving agriculture in our area. The land bank's good reputation was dramatically demonstrated during the drought and depression of the 1930's. Without the presence of the land bank at that time, many farmers of the midlands would have lost their farms.

The land bank has kept pace with the tremendous changes taking place in agriculture in recent years. By doing so, the system has been able to provide the type of credit that farmers have needed in order to expand and modernize their operations.

On the 50th anniversary of the system, I salute the land banks for the manner in which they have served agriculture, and I pay tribute to America's farmers who have done such an outstanding job of feeding the people of our Nation.

Mr. BROWN of Michigan. Mr. Speaker, I am pleased to report that my association with the land bank system started at an early age. Our family farm—in Schoolcraft, Mich.—was aided by land bank "assistance" during the desperate depression years. Such emergency aid not only helped us weather the storm, but helped American agriculture to survive. Farmers in that area still are being served with land bank credit by the Federal Land Bank Association of Three Rivers.

The Federal land bank system is an excellent example of how private capital is put to work, with appropriate governmental supervision, to aid and strengthen our economy.

Before the inauguration of this system, a long-term real estate mortgage loan to an American farmer was nonexistent. The short-term loans that prevailed at that time were extremely risky from the standpoint of the borrower because, invariably, he could not pay the loan when due regardless of his personal integrity or management skills. He simply did not have enough time to make enough money to retire the loan when due.

The bill that created the land bank system over 50 years ago often has been called "The Magna Carta of American farm finance." It was this system which originated the long-term amortized loan which gave American farmers the opportunity to pay for their farms.

Since 1917, when the first Federal land bank loan was made, thousands of American farmers have made use of this service. The Federal Land Bank of St. Paul—which comprises the seventh district of the land bank system, serving Michigan, Minnesota, Wisconsin, and North Dakota—has extended more than \$1.8 billion in loans to some 285,000 farmers in its district. In the State of Michigan alone, over 75,000 land bank loans have been extended, totaling more than \$469 million. The other 11 district banks have been significant lenders in their respective areas. The St. Paul bank has an outstanding loan account of \$611 million to over 59,000 farmers at the close of business on December 31, 1966. The record of progress of the St. Paul bank has closely paralleled that of the agricultural economy it services.

This farmer-owned system provided 41 percent of all the farm real estate mortgage money in Michigan this past year. It now serves nearly 16,000 borrowers in this State with more than \$162 million in outstanding loans. Many more farmers who use other sources of credit benefit by the significant influence the land bank system has on all types of farm lending organizations.

Michigan is one of the leading agricultural States in the Nation. It ranks high in the production of fruits, vegetables, and navy beans. A dependable source of long-term farm mortgage credit has been a significant factor in this production.

I am much impressed with the contribution of this farmer-owned lending system to the progress and stability of our agricultural economy. However, their major role is yet to be played. It will be played behind the scene, providing future American farmers with sound credit—credit to finance the production of an abundance of quality food. Food that will be used in the bloodless war to win men's minds; food that will, in the final analysis, be more powerful than our devastating arsenals.

The land bank system has dedicated its golden anniversary to "America's Farmers: Providers of Plenty." I salute the Federal land bank system which provides credit to the "providers of plenty."

Mr. BURKE of Florida. Mr. Speaker, it is a privilege for me to join my colleagues in the House in commemorating the 50th anniversary of the Federal land banks and farm credit system.

Over the past 50 years the nationwide Federal land bank system has been a major source of credit for the farmers of America. This cooperative farm credit system had its beginning in 1916 when the Congress enacted the Federal Farm Loan Act which created the 12 Federal land banks and the local Federal land bank associations through which the land bank loans are made.

Prior to 1916, the farmers in the United States had no long-term mortgage credit system specifically designed or adapted to meet their needs. They were required to use as best they could the credit facilities that had been developed primarily to meet the needs of industry generally. Insurance companies tended to make loans only in areas where loans were large and numerous and risks were low. Commercial banks, especially in high risk areas, had to limit their farm mortgage lending because of their primary obligation to keep their depositors' funds invested in assets readily convertible to cash.

Farmers who needed credit were often unable to find prospective investors with surplus funds. This was not unusual because most of the investors were located in large cities far removed from farming areas.

When conditions were poor money was in short supply. Those loans farmers were able to secure were for short periods. At maturity, if a borrower could not repay the entire loan, it was necessary for him to arrange for a renewal or for refinancing. This generally involved additional charges. In times of financial stress, a borrower often found

it difficult, if not impossible, to renew or refinance his loan at any cost.

The Federal Farm Loan Act of 1916, which created the land bank system, was the first effort to make available to farmers in the United States a credit system specially designed for and adapted to their needs.

Under provisions of the Farm Loan Act, funds for mortgage loans could be obtained by selling to investors Federal farm loan bonds secured by farm mortgages. By pooling mortgages and issuing bonds in this way, a farmer in a high-risk, high-interest rate area far removed from investment markets, could get a long-term, low-interest rate mortgage loan on a basis similar to that available to a farmer located in a more favorable area.

Since the enactment of the Federal Farm Loan Act of 1916, the act has been broadened by various amendments, to meet other credit needs of the farmers. In 1923, the Congress provided for the establishment of a permanent system of Federal intermediate credit banks. These banks were organized, not to make loans direct to individual farmers, but to discount or purchase short-term notes of farmers and stockmen given to privately capitalized local lending institutions. These institutions included commercial banks, livestock loan companies, and agricultural credit corporations. Since 1933, they have been the main source of funds for the cooperatively organized production credit associations.

Loan funds of the intermediate credit banks are obtained in the investment market by selling debentures secured by agricultural notes, cash, or U.S. Government securities.

An Executive order of March 27, 1933, creating the Farm Credit Administration, brought the land bank system and intermediate credit banks under its supervision.

In June of 1933, the Congress authorized farmers, in the Farm Credit Act of 1933, to organize a countrywide system of local cooperatives—production credit associations—which are designed to make operating credit readily available to farmers in all parts of the country. The production credit associations were created because private lending agencies, including those which discounted their loans with the Federal intermediate credit banks, were not able fully to meet farmers' credit needs.

The Farm Credit Act of 1933 further provided for organizing 13 banks for cooperatives as a system of credit for farmers' marketing, purchasing, and service cooperatives.

Today, the cooperative farm credit system provides a well-rounded credit service for farmers and their marketing, purchasing, and business service cooperatives. Through this system's facilities, farmers can finance the ownership of farms, the production of crops and livestock, and the purchasing of farm supplies, the marketing of farm products, and the providing of other services required by farmers.

The Federal land bank system has been completely farmer owned since 1947, the year in which all capital subscribed

by the Government—both in the initial stage and during the depression years of the 1930's—was returned to the Treasury. Each of the land banks now is owned by its stockholders, the land bank associations which, in turn, are completely owned by member-borrowers. The system is on a strong financial basis and has built resources that will enable it to meet any normal demand that might be made for financing farmers.

Currently all but two of the more than 460 production credit associations and four of the 13 banks for cooperatives are farmer owned.

Farmers and their cooperatives borrowed more than \$8 billion in 1966 from the land banks and other parts of the farm credit system. Loans outstanding as of December 31, 1966, totaled about \$9.5 billion.

Approximately 2 million farmers and ranchers have borrowed about \$12.5 billion from the 12 Federal land banks in their first 50 years of operation on the security of mortgages on their farms. Today, 391,000 farmers and ranchers have \$5 billion in mortgage loans outstanding from these banks.

The Federal land banks and other parts of the farm credit system built on the pattern pioneered by the land banks, have made a significant, direct contribution by their dependable, specialized lending. However, perhaps their indirect influence has made the greater contribution over the years.

Because other lenders have tended to follow the example of the farm credit banks in granting long-term loans suited to farmers' credit needs, nearly all farmers who have used credit have benefited directly or indirectly from this farm credit system that emerged 50 years ago to meet the credit needs of the farmers of America.

Mr. JONES of North Carolina. Mr. Speaker, I rise to pay tribute to one of our many governmental agencies which has meant as much or more than any other single agency to the economy of my congressional district in the State of North Carolina—the Federal land bank system, which is observing its 50th anniversary during 1967. Without its participation in our economy, it is difficult to conceive of what might have happened during the wavering levels of our economy.

As we know, America is enjoying the highest standard of living of any nation in the history of the world. We realize that we have this abundance because of the contributions of all segments of the economy, and especially that of the farmers of our country. Available credit has assisted agriculture in making this tremendous contribution, and the efforts and services rendered by the farmer-owned and controlled farm credit system has been a big factor in agricultural progress.

The Columbia Land Bank and the 15 Federal land bank associations in North Carolina now serve over 14,000 farmer members with more than \$117 million in long-term credit. The Columbia bank also serves South Carolina, Georgia, and Florida. The bank and the 46 associations today serve over 37,000 farmers

with more than \$400 million in the four States. This to me is the epitome of a perfect working relationship between Government and the people.

It is my sincere hope for an additional 50 years of equal progress and service for the Federal land bank system, and I offer my congratulations to those who have administered this program so well for the past half century.

Mr. WINN. Mr. Speaker, during this year of 1967 the Federal land banks are observing their 50th anniversary. Kansans are proud of the role our State has played in the history of this association, which has enabled farmers and ranchers to utilize capital to increase both their actual output and their capacity to produce more food and fiber.

Kansas is the home of the first Federal land bank, established in March 1917. The State's economy is primarily based on agriculture. It is a stable agricultural area, and the industry is still expanding and developing rapidly. The Third Congressional District, comprising six counties in northeast Kansas, is a diversified farming area, the principal crops being corn, alfalfa, soybeans, wheat, and feed grains. Most farmers in the area are substantial producers of livestock as well. The use of fertilizers and modern equipment is constantly increasing production. Land values continue strong. The economy and land prices of much of the area are enhanced by urban development. Agribusiness, such as our milling, livestock feeding, meatpacking, are prominent and growing in this and surrounding areas.

Introduction of land bank loans into northeast Kansas came shortly following the chartering of the Wichita Federal Land Bank. As a result of a pressing credit need on the part of farmers, coupled with their foresightedness in seeing the possibilities offered by this new legislation, many small associations were quickly organized, and through them, long-term funds began to flow to meet the needs of individual farmers. During the 50 years of successful operation since that time, these small associations have been merged until three associations staffed by full-time, well-trained personnel are bringing to the farmers of this and some of the surrounding area a ready supply of capital at a reasonable rate of interest. These offices at Lawrence, Ottawa, and Fort Scott are serving 1,775 loans with an outstanding balance of \$18,600,000.

Kansas has a total of 24 such associations with 15,929 loans and an unpaid balance of \$175,531,000. In the entire Wichita district, which covers Kansas, Oklahoma, Colorado, and New Mexico, there are over 32,300 loans with an outstanding balance of \$435,000,000.

The use of borrowed capital as a production tool in present-day operations is increasing very rapidly in the area.

James R. Isleib, of Shawnee Mission, Kans., which is located in this area, is a member of the district farm credit board. The other director from Kansas is Leo Paulsen, of Concordia. Other directors on the district board are:

Ben Swigart, Mooreland, Okla.

William D. Lakey, Sayre, Okla.

Lyle L. Hague, Cherokee, Okla.
Sherwood Culberson, Lordsburg, N. Mex.

Harold W. Hancock, Rocky Ford, Colo.

The Wichita district's representative on the Federal Farm Credit Board is Kenneth T. Anderson, Emporia, Kans.

Mr. REIFEL. Mr. Speaker, I welcome this opportunity to share in the recognition of the 50th anniversary of the Federal land bank system.

This system has meant much to the State of South Dakota. One of the leaders in the land bank organization in our area is my fellow South Dakotan, Merritt Fenner, of Iroquois. He is vice chairman of the board of directors of the Farm Credit Banks of Omaha.

As a member of this board, he helps guide the activities of the Federal Land Bank of Omaha, the largest of the 12 land banks of the Nation. The Omaha Land Bank presently has 50,000 member borrowers and more than \$650 million in loans outstanding in the States of South Dakota, Iowa, Nebraska, and Wyoming.

During this, the golden anniversary year of the land bank system, I want to call attention to the favorable impact which land bank credit services have had on the economy of the State of South Dakota through the years.

As you drive down a country road in South Dakota today, one out of every four farms and ranches you pass has a land bank loan. More than 13,000 South Dakota farmers and ranchers presently have land bank mortgage loans on their land through the 19 Federal land bank associations in our State. They have used this borrowed money to expand and modernize their operations in order to make South Dakota agriculture an even more efficient industry.

Last year, the land bank provided 60 percent of the agricultural mortgage money borrowed from major lenders in South Dakota. Let me emphasize that the land bank is bringing outside capital into the State of South Dakota—capital which our farmers and ranchers are putting to use in order to produce the food which benefits the entire Nation as well as other countries of the world.

Mortgage loans on agricultural land have not always been readily available in my State. Prior to the formation of the land bank system, South Dakota farmers were being charged 8- to 10-percent interest on farm loans, and the loans were generally written for terms as short as 5 years—occasionally, money was not available at any cost.

With the formation of the land bank system, South Dakota farmers with a sound basis for credit were able to get mortgage loans on the same basis as other segments of the U.S. industry.

During the drought and depression of the 1930's, the land bank truly proved to be a friend in time of need to South Dakota farmers and ranchers.

The land bank was nearly alone in providing long-term credit in our State at that time. Because of its help, many South Dakotans were able to hold on to their land during those depressing years. In addition, by helping farmers, the land

bank was pumping funds into the commerce of our State.

Thus, my fellow South Dakotan, Merritt Fenner, is one of the leaders of an organization which has served the agriculture of our State well.

In turn, agriculture has served our Nation well by making our citizens one of the best fed peoples mankind has ever known. In this connection, it is meaningful to note that the Federal land bank system has dedicated the observance of their golden anniversary to "America's Farmers—Providers of Plenty."

I, too, pay tribute to the American farmer and the Federal land bank system for the fine partnership they have formed over the past 50 years. And particularly I recognize the men like Merritt Fenner who have given this partnership such sound leadership and direction.

Mr. HARRISON. Mr. Speaker, it is indeed a privilege for me to recognize the Federal land bank system on the observance of its 50th anniversary. The system's service over these 50 years has been most beneficial to agriculture throughout the United States.

We Americans are the best fed nation in the world because our farmers and ranchers have been able to produce such an abundance of high quality food. Their efficiency is the envy of the world.

I think it is particularly fitting that the Federal land bank system has dedicated its 50th anniversary observance to America's farmers and I want to wish the system well in its efforts to call attention to the tremendous contributions made to the Nation's economy by our farmers and ranchers. I can think of no more appropriate way to celebrate an anniversary than to pay tribute to those who make up this highly productive and efficient agricultural industry in the United States.

Farmers and ranchers in my home State of Wyoming are an important segment of today's complex agricultural industry. Like other farm and ranch operators throughout the country, they look upon farming as a business which is no different than any of the businesses in our cities. They have become sophisticated managers—and they are keeping better records, using more and larger machinery, more chemicals, better breeding stock, and better seed.

During this past year, the Federal Land Bank of Omaha, through the seven Federal land bank associations located in Wyoming, loaned more than \$12 million to the farmers and ranchers of the State. Since they were organized, the Omaha Land Bank and its affiliated associations have loaned more than \$113 million to 10,392 farmers and ranchers in Wyoming.

Wyoming farmers and ranchers have benefited a great deal from the confidence which the Federal land bank system has exhibited in the agricultural industry over the years. I am convinced that agriculture will continue to make great strides in efficient food production in the future and that Federal land bank associations will play an important role.

Mr. ANDREWS of North Dakota. Mr. Speaker, it is a privilege for me to join

my colleagues saluting 50 years of progress by our Federal land banks.

Sound credit practices and, equally important, the availability of money, have—from necessity—become an integral part of good farm management. Today, credit is a production tool no less important than combines, plows, and tractors and the importance of the Federal land bank system is well documented. During the past 50 years, it has been vital in making America's agricultural industry the greatest in the world, difficult indeed at times when surpluses were allowed to depress prices well below the cost of production.

Men and women in Congress, privileged to represent predominately agricultural areas have long sought full recognition of the key contribution American farmers are prepared to make to secure a lasting peace in the world. Total utilization of their unique ability to grow an abundance of food will, hopefully, be realized in the very near future as more people are convinced that food must be the main weapon in the battle to win mens' minds.

The services of the Federal land bank system will be vital in the mobilization of our farmers in this worldwide war against malnutrition.

Based on the record of performance of those who have made the Federal land bank system work so well in the past 50 years, I am confident they will meet the challenge in the years ahead.

Mr. ANDERSON of Tennessee. Mr. Speaker, if other areas have been blessed by the operation of the Federal land bank system as have the 18 counties comprising Tennessee's Sixth Congressional District, then our Nation can point with great pride to the contributions this system has made to a progressive and dynamic agriculture in our Nation during the last 50 years.

When the Secretary of the Treasury William Gibbs McAdoo, on August 7, 1916, swore into office the members of the Federal Farm Loan Board under whose guidance the Federal land bank system was to be established he pointed out:

In the 127 years since the establishment of our Government until this time absolutely nothing has been done by way of legislation to assure abundant farm credits to farmers on reasonable terms.

He said the system when fully established would "unquestionably provide an abundance of credits, available at all times, to farmers in all parts of the country upon long-term mortgages at low rates of interest, with a provision for the repayment of the principal in easy annual installments."

In this golden anniversary year of the Federal land bank system, all citizens should be made fully aware of the system's amazing contributions to agricultural advancement in the United States. Land bank loans amounting to more than \$12 billion have directly affected the welfare of hundreds of thousands of individuals who make their livelihood from the land. Other farmers have benefited indirectly, since the interest rates they have had to pay, conservatively estimated, have been lower by at least one-

half percent than they would have been had the land bank not been in the picture.

I have the good fortune of having as one of my closest neighbors back in my home community Mr. Carlos Dyer, manager of the Federal Land Bank Association of Dickson. Two other Federal land bank associations—at Springfield and Columbia—also serve counties in my congressional district.

I am an active member of the Federal Land Bank Association of Dickson. I therefore speak with firsthand knowledge—if some feeling as well—of the dependable, local, understanding, home-folks' credit service farmers receive from this system.

I am proud because my association has never had any Government capital or Government subsidy. Nor has any of the Nation's 700 other Federal land bank associations. Although Government funds provided initial capital for the 12 district Federal land banks, successful operation enabled them to return all Government money to the Treasury. For 20 years now, all the Federal land banks have been fully owned and operated by the farmers they served.

Especially significant is the fact that the Farm Credit Administration—the Government's supervisory agency for the Federal land bank system, the Federal intermediate credit bank system, and the banks for cooperatives system—operates at no cost to the taxpayers. Farm Credit Administration activities are financed by earnings of the banks it supervises. Nor does the Government provide any funds with which these banks make loans to farmers. These come from the sale of bonds on the open money markets of the Nation.

So valuable has been the contribution of the Federal land bank system to so many millions of people in our Nation that the most fitting recognition I can think of for its 50th anniversary would be for the Post Office Department to issue a special commemorative postage stamp.

Mr. MAYNE. Mr. Speaker, most mid-westerners recognize that agriculture is a large and dynamic industry. However, it is questionable whether a majority of U.S. citizens are aware of the impact that agriculture has on the total economy of the Nation.

We in the United States have been blessed with an abundant supply of food. The American farmer has applied technology and ingenuity in order to make our Nation the best fed nation in the world. In addition, the average American spends a smaller percentage of his income on food than does the average citizen of any other country in the world. By spending less of his take-home pay for food, the average American has been able to purchase other items—items which give our Nation such a high standard of living—and the manufacture of these items provides jobs for millions of people. The American public should be made more aware of the contributions that agriculture is making. For this reason, the Federal land bank system is to be congratulated for dedicating its golden anniversary observance to "America's farmers—providers of

plenty." It is particularly fitting that the land banks carry out a public information program for agriculture, because the land bank and agriculture have truly been partners in progress for the past 50 years. Thousands of farmers in my area of northwestern Iowa presently own the land they work because the land bank provided the long-term credit that agriculture needed.

Farmers have put this credit to use in expanding and modernizing their operations. With this expansion and modernization, farms in my area are today producing corn yielding up to 150 bushels per acre. Fifteen years ago, the same land produced perhaps 65 to 75 bushels per acre. Capital used to replace labor with machinery has permitted American farmers to become the most envied food producers the world has ever known.

I would therefore like to recognize the land bank system for the important part it has played in making farmers and ranching a dynamic and important industry in our country. I commend the land banks for the leadership they are now taking in pointing to the achievements of American agriculture.

Mr. HANSEN of Idaho. Mr. Speaker, I wish to commend the gentleman from Kansas for the very meritorious job he is doing here today, and I wish to associate myself with him in his remarks.

Federal land bank service in the State of Idaho dates back to June 9, 1917. On that date a local farmer-owned national farm loan association was chartered to do business at Kimberly in the southern part of the State. Its charter, No. 99, placed it among the first 100 of more than 2,000 associations organized over the Nation that year. The Kimberly Association later became a part of the Federal Land Bank Association of Twin Falls.

During the 50 years, or almost 50 years, since the chartering of that first association, Gem State farmers and ranchers have used the services of their local associations to provide themselves with upwards of \$296,000,000 of long-term real estate credit from the Federal Land Bank of Spokane. The Spokane bank, which serves the five Pacific Northwest States, has recorded 35,172 loans in Idaho since 1917 and on January 1, this year, had 8,690 loans outstanding in my State for a total of \$126,000,000.

As of January 1, 1966, just a little over a year ago, land bank loans represented 29.3 percent of the total farm real estate debt in the State of Idaho, indicative of the major role the cooperative land bank system is playing in the progress of agriculture in our great State.

Agriculture, the basic industry of the State of Idaho, has made spectacular progress in the last half century and particularly since World War II. Our farmers and ranchers, through their own initiative; through the application of research and technology, and through the efficient use of capital, have developed their production to a point that would have seemed fantastic just a decade ago. It is most fitting and proper that the land bank system dedicate its 50th anniversary observance to America's farmers, "providers of plenty." As the Represent-

ative from the Second District of Idaho and speaking for the people of my great State, I want to join my colleagues today in paying tribute to the farmers and ranchers of this Nation for their great and lasting contributions to our economy.

I also want to join in commending the land banks for using the occasion of their golden anniversary to help build a better image for American agriculture. The banks have rendered yeoman service during the last 50 years and their greatest years most certainly lie ahead.

Mr. BRINKLEY. Mr. Speaker and my colleagues, I would like to thank the gentleman from Kansas for giving me this opportunity to join with him and the other speakers in commemorating the 50th anniversary of the founding of the Federal land bank system.

In my district, agriculture plays a key role in keeping the economy strong and vibrant. For the most part this agriculture is conducted on small, family farms by men of limited financial means. In this age of rising costs it has become increasingly difficult for the farmer to make a living, and to obtain the necessary capital for improvements and expansion needed in order to keep up with changing times.

For the past 50 years the Federal land bank system has been providing a great deal of this much needed capital. For example at the present time there are four Federal land bank associations serving within my district. These associations have 3,800 members, and as of the end of February 1967, there were \$35½ million worth of loans to farmers outstanding on their books. During 1966 these associations closed out 543 loans worth \$9½ million, and last year they paid dividends totaling \$71,000 to their members.

Mr. Speaker, these figures demonstrate the importance of these associations to the farmers of my district. I know that every other Member of this body who represents a rural area of this great Nation can quote similar figures to show the important work of the Federal land bank system in his district.

These associations, formed by farmers under the Federal Farm Loan Act of 1917, are a shining example of democracy at work. Neighbors have come together and organized to help one another. They elect their own officers, supervise all activities of the association, including making of loans to members, and if a profit is realized they all share in it. In this way they have helped to preserve the agricultural industry as a vital and vigorous part of our economy.

Mr. Speaker, it took mer. of wisdom and foresight to inaugurate the Federal land bank system 50 years ago. Today we reap the benefits of that wisdom and foresight. I salute the Federal land bank system and the thousands of good people who participate in it. Happy birthday, and may your next 50 years be even more successful.

Mr. FOLEY. Mr. Speaker, I am most happy to join in this observance of the 50th anniversary of the Federal land bank system. I am particularly proud that Spokane, the largest city in the

Fifth Congressional District, which I represent, is the site of one of the 12 land banks which have done so much for the farmers and ranchers of this Nation.

Washington is one of the five States served by the Spokane bank, and Deer Park, a small rural community just north of Spokane, was the site of the 10th Federal land bank association chartered in the United States. The date was May 8, 1917. Records also show that the first loan closed by the Spokane bank was to a member of the Deer Park Association. That date was May 24, 1917. The Deer Park Association has since become a part of the Federal Land Bank Association of Spokane.

Since closing that first loan at Deer Park, the Federal Land Bank of Spokane has closed 35,785 loans totaling more than \$233,000,000 in the great State of Washington. As of December 31, 1966, the bank had 6,051 loans outstanding in my State for approximately \$85,700,000. This represents 14½ percent of the total farm real estate debt in Washington. The bank's total number of outstanding loans represents 13.2 percent of the total number of farms in the State.

Farmers and ranchers of the State of Washington have made dramatic progress in the last half century and particularly in the last two decades. They have met the challenge of change head on. Through their own initiative, technological improvements developed by industry and research and the substitution of capital for labor they have geared their operations to produce an ever increasing supply of food and fiber to help make this the best fed and clothed nation in the world.

The Federal Land Bank of Spokane has not only been a major source of credit for northwest farmers and ranchers throughout its 50 years of operation, but has contributed greatly to the stability of our most basic industry. The bank's record of progress closely parallels the dynamic agricultural area it serves.

Through its field operations and its advertising and information programs, the bank has helped to make Spokane an agricultural finance center known from the Dakota line to the Pacific Ocean and from the Canadian line to the border of California. Its transactions—debits and credits—going through Spokane's commercial banks exceed \$265,000,000 annually and with its sister farm credit banks, the Federal Intermediate Credit Bank of Spokane and Spokane Bank for Cooperatives, this figure exceeds \$1 billion a year.

The 50th anniversary observance of the land bank system is dedicated to America's farmers, "providers of plenty." As a representative from one of the great agricultural States, I would like to join the Spokane bank in its salute to the farmers and ranchers of the Northwest.

Mr. NICHOLS. Mr. Speaker, 1967 is the golden anniversary year for the Federal land bank system. The anniversary observance, dedicated to America's farmers, "providers of plenty," is being carried out in Alabama, Mississippi, and Louisiana by the Federal Land Bank of

New Orleans and Federal land bank associations throughout the three States.

I am pleased to report that we have 17 associations in Alabama. These are located in Albertville, Cullman, Demopolis, Dothan, Enterprise, Fayette, Florence, Fort Payne, Gadsden, Huntsville, Marion, Monroeville, Montgomery, Opelika, Robertsdale, Talladega, and Troy. They are doing an excellent job, and I would commend each association separately, as well as jointly for this occasion, and urge them to keep up the fine work they have done.

The 17 Federal land bank association managers in Alabama are a part of a revolution—a revolution of agriculture that has changed the State of Alabama, the United States, and is changing even the world—in ways we should know about.

Fifty years ago, there were 100 million people in the United States. Today, there are about twice as many. Today's people are eating better food than their parents and grandparents—food that is more wholesome, more nutritious, and tastier—food that is safer and keeps better—to say nothing of the increase in varieties and packaging convenience.

Now, to feed a population that has doubled in just two generations—and to feed it better—is a remarkable accomplishment. It would not have been possible without this agricultural revolution. That is, the enormous increase in agricultural productivity brought about by scientific farming. And through mechanized and scientific farming, we have more productive farms—and more food production.

In a revolution everything is supposed to change, but in this agricultural revolution one important thing has remained the same. It is this: The single family is still the basic economic unit on the American farm. Our large, modern, highly mechanized, factory-type farms are still owned and operated by individual farmers. Including land, buildings, implements, and everything else that farmers require to operate, the value of one of these modern farms runs up to tens—or even hundreds of thousands of dollars. One farmer just cannot pile up enough money from his own resources to invest in one of these modern farms. He must borrow—he carries a mortgage on his land and buildings. Without credit at reasonable rates and terms, the agriculture of this Nation would be a lot different from what we know it is today.

Farmers in this country are big users of credit, from loans for capital expenditures right down to installment buying of the family automobile and household items. Now, in order to meet the major credit needs of farmers, a special credit system has evolved in this country. The 12 Federal land banks and some 700 land bank associations are a mainstay in this farm credit system.

The Federal land banks are not Government institutions. Established by an act of Congress in 1916, the Federal land banks were designed to be farmer owned and farmer controlled. While the original stock of the banks was provided by the U.S. Government, the law provided that the borrowers would become the owners of the system. Loan funds are

obtained from the sale of bonds to the investing public—so the land banks are private institutions, but because they were chartered by the Federal Government, the land banks and associations are subject to certain supervisory functions in much the same manner as a national bank.

The land bank system is actually owned by the farmers. When a farmer gets a loan through the local Federal land bank association, he purchases stock in that association. With the stock he becomes a part owner and has a vote for the directors and officers of the association. The stock also earns cash dividends and is refunded when the loan is paid.

The Federal land bank associations in Alabama have been an integral part of the history and growth of Alabama agriculture.

Mr. BEVILL. Mr. Speaker, one of the most interesting documents connected with the early history and organization of the Federal land bank system was a speech made by W. G. McAdoo, Secretary of Treasury to the directors of the original Farm Loan Board in Washington on August 7, 1916. After the Directors had taken the oath of office, Mr. McAdoo said:

I congratulate you heartily upon the opportunity the President has given to you to render a service of inestimable value to the farmers of this country by establishing the Federal Land Banks and the general system of rural credits provided for by the act of Congress approved July 16, 1916.

It is a statement of an old recognized truth to say that the farming industry is the very basis for the life and prosperity of the nation. And this statement is more particularly true of the United States because of its agricultural development which, although great, can be made vastly greater if our farmers are provided with the long-term credits at low rates of interest which are essential to the further development of the farming industry.

There is no inducement to greater farm development unless it can be made profitable and it cannot be made profitable unless the necessary capital is available always to farmers upon reasonable terms. It is amazing that since the establishment of our government until this time, a period of 127 years absolutely nothing has been done by way of legislation to assure abundant farm credit on reasonable terms to our farmers.

On the contrary, they have been the preferred sufferers from a scarcity of money for farm development and agricultural purposes and have been as a class particularly oppressed by high and often times extortionate rates of interest and shattered constantly by the fear of mortgage foreclosure. The farm loan act which is your privilege to administer will emancipate the farmer from the disadvantages he has so long endured. It will when fully established, unquestionably, provide an abundance of credit available at all times to farmers in all parts of the country for long-term mortgages at low rates of interest with a provision of repayment of the principal and easy annual installments.

In fact under the new system, the farmer ought to be able to pay interest on his mortgage and principal of his debt through annual installments which will be less than the straight interest charges he has been paying on his mortgage under the old system.

This is an act of long delayed justice. We must see to it that those who are entitled to its benefit get them with the least possible delay. The establishment of this

rural credits system means not only more profitable farming but a life of greater comfort and prosperity for the farmer; it means security and independence, thrift and self-respect for the farmers.

In the State of Alabama, there has been a tremendous increase in the value, efficiency, and productivity of agriculture in the past 50 years. Making good use of sound and efficient credit made available by the Federal Land Bank of New Orleans and the 17 Federal land bank associations in Alabama, farmers in my State have made a genuine contribution to the growth of our Nation and to the significance that agriculture plays in our lives today.

One needs only to ride through the State of Alabama to see the changes that are happening to Alabama agriculture. From the Tennessee Valley southward to the gulf coast, noticeable changes are occurring in Alabama agriculture. Efficiency is evident in the cotton farms of the valley, in the ever-expanding poultry operations in the central and Sand Mountain areas, in the herds of beef cattle in the Black Belt, and in timber, soybean, and peanut enterprises in south Alabama.

The resources, talents, and energies of farmers in this country is a force to enable all American citizens to look to the future with confidence. May this 50th anniversary of the Federal land banks stimulate our entire Nation to pay a proper tribute to America's farmers, "providers of plenty."

Mr. LATTA. Mr. Speaker, agriculture is important to the Fifth Congressional District of Ohio; and, as a consequence, so is the Federal land bank system.

The Federal land bank system, through the Federal land bank associations, has made loans available to farmers in my district for the last 50 years. There are four associations in my area and they have over 1,700 loans in the amount of over \$26,000,000 outstanding at the present time.

The farmers of my district are appreciative of the long-term loans made available to them by the Federal land bank at an interest cost equal to or below most farm loans.

On this 50th anniversary of the Federal land bank system, we in the Fifth Congressional District are pleased to join in honoring the Federal land bank associations of Bryan, Bowling Green, Fremont, and Ottawa, the Federal Land Bank of Louisville, which serves the fourth farm credit district, and the entire Federal land bank system.

Mr. ADAIR. Mr. Speaker, this is a proud day in the history of the Federal land bank system. It is the occasion of the golden anniversary of this banking institution which has been serving the American farmer faithfully and well during its 50 years of existence.

Many officials of the Federal land bank from all sections of the Nation are here today to join in the celebration of this auspicious event. From Indiana, we are honored to have three prominent and distinguished citizens and officials of the organization in Washington to take part in the anniversary program. They are: Mr. Marion A. Clawson, Federal Farm Credit Board; Mr. Marvin J. Briggs, for-

mer Federal Farm Credit Board Member, and Mr. Clyde D. Clark, FLBA National Advisory Committee.

It is a pleasure to welcome them to Washington. They are accompanied by other important officials of the FLBA from across this great land of ours and we are happy also to have them here.

We hope that this fine banking organization will continue its beneficial services to the farm, ranch, and agricultural community in the years ahead. I am sure that it has the support and confidence of the Congress as well as of the people it has helped in the past. Now it faces a future full of promise and opportunity.

I am very happy to join with my colleagues in paying tribute to the Federal land bank upon its golden anniversary.

Mr. GATHINGS. Mr. Speaker, the Federal land bank system has served agriculture well over the years. I am pleased to join with my colleagues in paying tribute to this great organization in this its 50th anniversary year of its founding.

The making of real estate loans available to farmers for use by them to purchase a farm or to improve the land that they own or to refinance indebtedness against their farms has been of great benefit in the fulfillment of the farmers' objectives and the carrying on of their necessary operations. Nearly 2 million farmers and ranchers have obtained real estate loans from the 12 Federal land banks during the 50 years of operation of the system. These banks are owned by the farmers themselves, as each borrower buys stock in his local association paying 5 percent of the loan for the stock, the proceeds of which originally were used to retire the Government capitalization placed in the organization. All of the Government capital was paid back by the Federal land bank system by the year 1947.

The original act, which provided for 12 banks, placed the capitalization of each at \$750,000, or a total of \$9 million was pumped into the system as Government capital when the original act was passed in 1917. This capital was repaid during the thirties. However, during the depression years it was necessary to obtain additional Government assistance totaling \$314 million in the 12 banks. All of this sum had been repaid by 1947, making the banks fully owned by the land bank association. This is a great record and I commend the farmers, the members of the various Federal land bank associations, the national Federal land bank association board of directors and the Governor and his associates of the Farm Credit Administration for the splendid services rendered in behalf of American agriculture.

Mr. EDMONDSON. Mr. Speaker, it is truly a pleasure to take this opportunity to salute the Federal land bank today on the occasion of its 50th anniversary.

The Federal land bank has made a great contribution to the people of my State and my district, as a quick look at the facts will illustrate.

Last fiscal year the 18 Federal land bank associations in Oklahoma closed

1,373 loans for a total volume of \$20.2 million—a tremendous infusion of credit into our State's vital agricultural economy. This brought the total number of outstanding loans serviced by the Federal land bank in Oklahoma to 8,242, for a total of \$33.8 million in outstanding loans.

Oklahoma's interest in the Federal land bank program dates back to 1917, when the Wichita, Kans., Federal land bank received its charter. One hundred associations were formed in Oklahoma that first year, and by September 1917, Oklahomans had filed applications for a total of \$4.6 million in loans.

By February 1918, Milas Lasater of Pauls Valley, Okla., vice president of the Wichita Regional Land Bank, was able to report that 1,162 loans for a total of \$2.3 million had been made to Oklahoma farmers.

In its 50 years of operation, the Wichita bank has approved 49,124 loans to Oklahomans for \$269.2 million. That figure alone should tell a great deal about why we in Oklahoma believe in this program.

Many Oklahomans have played important roles in the Federal land bank program, in addition to Mr. Lasater, of Pauls Valley.

Mr. W. P. Z. German, of Muskogee, my hometown, was the first regional attorney when the Wichita bank was chartered in 1917. Another Oklahoman, Mr. George Lightner, served a 6-year term on the national Federal Farm Credit Board.

Currently serving on the seven-man Wichita district board are three Oklahomans, Mr. Lyle Hague of Cherokee; Mr. Ben Swigart, of Mooreland; and Mr. William D. Lakey, of Sayre.

Four land bank associations serve the farmers in my district, and these associations currently are servicing 1,937 loans with a total of \$19.2 million outstanding at this time.

These associations are Broken Arrow, with 570 loans currently with \$5.2 million outstanding; Vinita, which is servicing 472 loans with \$4.3 million outstanding; McAlester, which is servicing 522 loans with \$3.6 million outstanding; and Ponca City, which is servicing 373 loans with \$6.1 million outstanding.

The Federal land bank, by making these millions of dollars available to farmers for building and expansion, has been of great service to the agricultural industry of Oklahoma and the Nation. I salute the bank for a job well done.

Mr. YOUNG. Mr. Speaker, America is justly proud of unprecedented achievement in many fields; but in none has this achievement been more pronounced nor, indeed, as incredible as in the field of American agriculture and farming. American agriculture is one of the few areas of endeavor which even our Russian competitors readily admit is superior to theirs. And so it is, but American agricultural superiority is not such by accident.

There are many basic reasons for the modern miracle of American agriculture—far too numerous to chronicle in the time and space available to me here but high in the order of responsibility

for this great achievement is marvelous work that has been done in the field of farm credit. That is, much of the recognition for this incredible achievement goes to "farm credit" itself.

The Federal farm credit system is this year commemorating its golden anniversary—50 years of valuable service and assistance in a part of farm activity that was sorely needful of bolstering and streamlining. The lubricating oil of industry is credit; and, in this, the farming industry is not exceptional. Farming is big business—it is an industry in every sense of the word—and it, too, must have lubricating credit to carry it on. Our farm credit system has done its job and has done it well. So, Mr. Speaker, let us join with the thousands of others throughout the land in thankful acknowledgment of what credit has done for our farmers and what our Federal credit system has done in its 50 years of operation. To it we say good luck and many happy returns of the day.

Mr. ULLMAN. Mr. Speaker, I am pleased today to join with my colleagues in saluting the 50th anniversary of the Federal land bank system.

The land banks are to be commended for dedicating their golden anniversary observance to the beneficiaries of their half century of progress and public service—America's farmers.

As we have heard today, land banks are made and serviced by local farmer-owned Federal land bank associations. In 1917 more than 2,000 local associations were chartered in the United States. Among these pioneers in farm finance, charter No. 75 was extended to Fernwood, Ore. This association later became the Federal Land Bank Association of Salem, Ore. The agricultural growth of the Willamette Valley is due in no small part to the record of accomplishment by this fine association.

Since making its first loan in the State of Oregon 50 years ago, the Federal Land Bank of Spokane has closed 25,800 loans in our State with a total investment of more than \$207 million. As of December 31, 1966, the regional bank had 4,965 loans outstanding in Oregon with a total value of almost \$80 million. This represents better than 15 percent of the total farm real estate debt in the State of Oregon.

Oregon is proud of the production achievements of its farms and ranches. With the aid of the Federal land bank system, Oregon agriculture has taken advantage of the most modern developments of research and industry.

In addition to know-how on the part of our farmers and ranchers, this revolution in agriculture has necessitated the input of greatly increased amounts of capital. Recognizing that agricultural development is our most basic national need—and a most creditworthy one—the Federal land banks have provided a major part of the long-term real estate credit necessary for expansion and growth.

Agricultural progress is the result of teamwork. Our State universities, through their research and educational programs, have contributed heavily to this team effort. Industry, through its

many technological improvements, has been a major factor. The Federal banks, through their farm-g geared credit programs, have enabled farmers and ranchers to take advantage of the creations of research and industry. It has been a winning team effort.

It is indeed a pleasure to be among those who are today joining in this tribute to America's Federal land bank system.

Mr. LANGEN. Mr. Speaker, it is with pleasure and pride that I join with my colleagues in paying tribute to the 50th anniversary of the Federal land bank system. As a lifelong farmer who understands the importance of reliable, long-term farm credit, I know what it means to this Nation when we take note of the relationship of the Federal land banks and the amazing growth of American agriculture during the past half century.

We have come a long way since the days when our farmers could find but scant and short-term credit, and the pitfalls they experienced with the few loans they could find over a long enough period to develop their land. It was a great day when President Wilson signed the Farm Loan Act into law, setting up the machinery that resulted in the chartering of all 12 banks by this anniversary date in 1917. Through the years, the land bank system has weathered many a storm, including the great depression, but the system and American agriculture have survived and grown strong together.

It is interesting to note that the farm credit system started with Federal help, but this Government never lost any money at it, because farmers are excellent credit risks. Fourteen years ago, the Federal Government began selling the system to the farmers, who now have almost completely purchased the entire system. It is a great success story, and we are privileged to gather here today in honoring those who have worked so diligently through the years to make it work and the farmers who used its services and repaid the trust with distinction.

It would like to pay particular attention today to three gentlemen, among many, who are in the gallery. Among a number of distinguished Minnesotans on hand for this occasion are Mr. Joe B. Zeug, of Walnut Grove, Minn., and Mr. Arthur J. Smaby of Minneapolis, who are members of the Federal Farm Credit Board, plus Mr. Hans T. Hagen, president of the Federal Land Bank of St. Paul, Minn. I welcome these gentlemen and commend them for their continuing service to American agriculture.

Mr. DORN. Mr. Speaker, during this year of 1967, we commemorate the golden anniversary of an organization which has made great contributions to all of the people in America and to people the world over. We salute the Federal land banks—a part of the farm credit system—upon completing 50 successful years.

In 1917, an alert Congress envisioned a banking institution for farmers, and a system that some day would be farmer owned and controlled. Today, the farm credit service stands as a tribute to Congress and to farmers everywhere, working together to provide the capital so nec-

essary in helping to provide food to feed the expanding populations not only of our great Nation, but for all the world.

The people of America today enjoy the highest standard of living of any nation at any time in the history of the world. This standard of living has come about due to the contributions of all segments of our economy, but we feel, due in most part to the ingenuity of the American farmer. Available credit has assisted agriculture in making this tremendous contribution, and the efforts and services rendered by the farmer-owned-and-controlled farm credit system have been a major factor in the agricultural progress of our Nation. The land banks have appropriately dedicated their golden anniversary to "America's Farmers—Providers of Plenty."

Fifty years ago, agriculture in America was severely handicapped. Some progress had been made up to that time, but that progress had been hindered severely by a lack of adequate capital. Most farmers were considered by lending institutions to be poor financial risks. By the enactment of the Federal Farm Loan Act of 1916 and the establishment of the 12 Federal land banks and associations throughout the Nation, farmers and ranchers, for the first time in history, were able to obtain long-term, low-cost real estate financing throughout the Nation. Consequently, agriculture began its transformation into a dynamic business enterprise.

Much of the initial capital for this system was provided by the Federal Government, but the formula for farmer investment in the associations and banks looked to the day when Government capital would be fully retired. That goal has been achieved. The formula, still effective today, provided that farmers not only put up adequate collateral, but also invest in the system's capital stock. Dividends are paid on the stock and the stock is retired at par value when the loan has been repaid in full. In this manner, the farmer borrowing from the land bank system has an immediate, vested interest in its successful operation and a voice in his association's policies and management.

The associations help direct the operations of their respective banks by electing members of the district farm credit board of directors. This system has dedicated its efforts to the task of moving American agriculture forward to even greater heights.

The land bank in Columbia and the nine Federal land bank associations in South Carolina now serve over 6,300 South Carolina farmers with more than \$60 million in long-term credit. The land bank in Columbia also serves North Carolina, Georgia, and Florida. The bank and the 46 associations today serve over 37,000 farmers in the four States with more than \$400 million in long-term credit.

In the Third Congressional District of South Carolina, which I am honored to represent, land bank associations serve 1,225 farmers with more than \$11 million in long-term credit. Agriculture has made tremendous strides, in the Piedmont district which I serve, in recent years, as well as the entire State of South

Carolina. The congressional district I represent is heavily industrialized but a large number of part-time farmers are able to maintain jobs in industry and still help provide food and fiber for the consuming public through the services provided by the land bank system. The agricultural picture has been diversified and has shown much progress in the production of timber, livestock, peaches, and cotton. In South Carolina, farming and the agribusiness enterprises represent a \$2¼ billion industry. This includes marketing, processing, and other activities in the flow of products from the farms to the consumers.

South Carolina continues to move forward in this the Nation's largest industry, through research, education, and capital, plus the farmers' managerial ability which makes possible our high standard of living.

Mr. Speaker, we congratulate the Federal land banks on this 50th anniversary dedicated to America's farmers, "Providers of plenty," and it is with great personal pleasure that I recognize today the presence of two men in this Chamber who have given loyal dedication and long hours of service to this great organization, whose sole aim is to provide service for farmers.

It is my pleasure to introduce to you Mr. Robert A. Darr, president of the Federal Land Bank of Columbia, and the Federal Intermediate Credit Bank of Columbia, and Mr. F. Marion Hinson of Bennettsville, S.C., president of the Mullins, S.C., Federal Land Bank Association, and chairman of the Federal Land Bank Advisory Committee with the Columbia district. Under the leadership of Mr. Darr, the Federal land bank and its associations in the Columbia district are making tremendous progress in the field of providing agricultural credit to farmers, and it is through the unselfish dedication of men like F. Marion Hinson that leadership is provided for local groups that help make this progress a reality. Mr. Speaker, we feel that we are fortunate indeed to be able to honor such an organization that has done so much for America and the world.

Mr. FUQUA. Mr. Speaker, the signing of the Federal Farm Loan Act by President Wilson in July of 1916 marked a new day for American agriculture.

Its passage into law provided urgently needed credit for the farmers of America, and was a major contributor to the agricultural revolution we have seen in the past half century in this Nation.

I view with justifiable pride the role played by a distinguished Floridian, U.S. Senator Duncan U. Fletcher, who was one of the authors and leaders in the passage of this historic legislation.

Adequate capital is imperative for any business, today as it was for the farmer in the early part of the century. Then, however, there just were no adequate sources. Financial institutions of that day were primarily interested in meeting the needs of industry and commerce.

This was a serious mistake, as agriculture has always been the cornerstone of any economy.

The slow but steady growth of the Federal land bank system since that day has

been largely responsible for the tremendous growth and success of American agriculture.

It is true that only one in 10 persons in the United States is actively at work on the farm, but our entire economy is dependent upon their success. When we consider the number of men and women who make their livelihood in the processing of these products, their delivery, and so forth, we find that a healthy agriculture is absolutely imperative to the welfare of the entire American economy.

When we speak of agriculture today, it is much more appropriate to speak of its overall implication. It uses more steel than the auto industry, as an indication of its impact on other businesses.

I think it appropriate to point out that no nation has ever become great that had to spend all, or a great majority of its manpower, its resources, in barely subsisting on the products of its farms. This problem has to be solved first and foremost, before any nation can build up an industrial base.

A healthy nation must have a healthy farm economy. Basic to any society is the production of enough food to feed its people, and this we have done in abundance.

Much of the credit for this miracle and blessing must be attributed to the act which we note today.

The United States today boasts 12 land banks and 700 local land bank associations that provide approximately \$5 billion of the real estate credit in America. These associations are totally owned by their member-borrowers.

This source of credit has caused America's financial institutions to bolster their farm lending, for farming today is a good risk for them. It helped to provide confidence, and with additional programs, brought American agriculture to the forefront.

It is impossible to calculate the benefits which this program has brought, and is bringing to the American economy. I am proud of those associations in my own district in Florida. They are typical of the work being carried on throughout the Nation.

On this golden anniversary, I take pride in joining in a salute to the Federal land bank system. Its success has been the realization of an American dream.

Mr. BOW. Mr. Speaker, I am pleased to join with the gentleman from Kansas in recognizing the signal accomplishments of the Federal land bank system during the past half century, and in welcoming the distinguished gentlemen who have come to Washington from all over the country to observe this anniversary.

This is a unique farm credit system. It has become a mainstay of American agriculture. It is a demonstration of successful cooperation among American farmers; the kind of cooperation that has made the American farmer, despite all of his problems, the best and most efficient producer and marketer in the world.

The success of the farm credit system in the United States should serve as an incentive and a guide to those who are endeavoring to develop sound agricultural economies in underdeveloped

nations of the world. I trust that they, too, are taking note of this anniversary.

Mr. ROTH. Mr. Speaker, while many people throughout our country believe that Delaware is primarily an industrial State, I take pride in pointing out that the most recent figures for our State indicate annual farm sales totaling more than \$110,000,000, with an average yearly income per farm of more than \$25,000.

As elsewhere in the United States, Delaware farmers have increased their production through the use of improved seeds and stock, better pesticides and herbicides, new equipment and facilities, and advanced farming methods. The amazing growth in American agriculture is illustrated in Delaware by the broiler industry which, in less than 40 years, has grown to become our greatest agricultural moneymaker. This rapid and substantial increase in farm production has made it possible for the American farmer to feed not only himself, but 37 other people as well, and to supply less fortunate areas of the world with large quantities of food.

The American farmer's increased ability to produce more at less cost has been made possible, in part, through the use of credit to finance the enlargement of farms and to purchase improved machinery and higher quality livestock. During the past 50 years, Federal land banks in every part of the Nation, and in particular, Delaware, have rendered outstanding service to farmers by extending them credit on terms that fit the farm operation. While it is true that the Federal land banks, as part of the farm credit system, have directly helped individual farmers through loans, they have also set the pattern for other lenders so that, today, a farmer can obtain credit on terms adapted to his individual farm operation and at a rate of interest in line with that extended to other businesses.

In 1917 and 1918, three national farm loan associations were established in my State. Later, they were merged into a single Federal Land Bank Association, now jointly housed with the Production Credit Association. These two lending organizations serve the farmers of Delaware—not with Government funds, but with money borrowed from the investing public. Moreover, though originally capitalized by Government funds, both organizations are now owned by the farmers who use them. Today more than 1,000 Delaware farmers are served by the Farm Credit Office which has some \$15,000,000 in loans outstanding.

I salute the Federal land banks on their 50th anniversary, and pay tribute to the farm credit system, which has made such an outstanding contribution to agricultural progress throughout the Nation and in Delaware.

Mr. HAMILTON. Mr. Speaker, may I add my warm congratulations to the Federal land bank system, now celebrating its golden anniversary.

This legislation, rightfully called the Magna Carta of American farm finance, was conceived in 1916 to meet the farmer's need for long-term farm real estate credit at the lowest cost possible consistent with sound business practices.

Today the land bank system serves

350,000 members and has \$4.7 billion in loans outstanding.

Although underwritten by the Federal Government at the outset, all Government money, including that paid in surplus was returned in 1947. The Federal Land Bank of Louisville repaid its portion of Federal money in 1940.

The land banks are owned by the farmers they serve, and although they remain under the Farm Credit Administration, they operate at no expense to the American taxpayer. The activities are financed by the earnings of the bank.

Through the years, the land bank has been the financial hope for many farmers. Last year particularly, during the "tight money" situation, the Federal land bank associations of Indiana continued to offer credit to Hoosier farmers for constructive agricultural purposes during this critical period.

The 26 Federal land bank associations in Indiana has nearly \$200 million in loans outstanding to some 15,400 farmers in the State. In the 17-county ninth district, 2,335 loans in the amount of \$24,081,000 are now outstanding.

Since receiving its charter 50 years ago, the Federal Land Bank of Louisville, which serves 78 land bank associations in Indiana, Kentucky, Ohio, and Tennessee, has made \$1.4 billion in long-term real estate loans to more than 201,000 farmers.

The Louisville bank, among 12 in the Nation, has grown from seventh to third in size in recent years and has passed the \$570 million mark in loans on its books.

As part of the observance of this institution's 50th anniversary, Indiana's Gov. Roger D. Branigin has proclaimed April as "Federal Land Bank Month" in the State.

I join with him and with all Hoosiers in congratulating the members and leaders of this association for the part they have played in developing the agricultural strength of the Nation.

Mr. ROUSH. Mr. Speaker, on this 50th anniversary of the establishment of the Federal land banks I should like to recognize and commend the notable achievements which have resulted from this completely self-owned and self-operated credit system of the American farmer.

The signing of the Federal Farm Loan Act by President Wilson in 1916, to be implemented in 1917, culminated several years of extensive investigation and discussion. The House Banking and Currency Committee rightly had appraised the bill as one which would provide "for a distinctly American system of rural credits." This was their conclusion in 1916. It remains true today.

At the present time in my district alone there are 2,308 farmers who have obtained loans from the Federal land bank in the amount of \$27,523,000. In the whole of Indiana there are over 15,000 farmers who have Federal land bank loans in the amount of \$200,000,000.

The 12 land banks and 700 local bank associations under this system provide \$5 billion of the real estate credit for agriculture in the United States, constituting the Nation's largest system for

providing private capital to farmers, ranchers and growers via long-term real estate loans.

This agricultural credit system has served the American Nation as a whole as well as the farmers by improving their buying power as consumers, by aiding in the technological revolution of 20th century agriculture, by making possible our present-day abundance of food, fiber and forest products. This abundance is the direct result of the investments made possible by the availability of urgently needed credit for the Nation's farmers.

Moreover, Mr. Speaker, this system indicates the vast possibilities of cooperation, productive and harmonious cooperation, between the national and local segments of our country. The Federal Farm Loan Act, as signed by President Wilson, provided for a unique partnership of farmers, the financial investment community and the Government.

President Johnson has called the Federal Farm Loan Act "a charter of financial independence for millions of Americans." As the program has operated under the Farm Credit Administration it has shown a record of continual progress, of constant response to emergencies and needs. Indeed the Federal land bank system has been, as described, the "Magna Carta" of the American farmer.

Mr. SKUBITZ. Mr. Speaker, on March 27, 1967, a celebration drawing nationwide attention commemorating the 50th anniversary of the Federal Land Bank Association of Larned, Kans., the first such farm credit organization in the United States, was held at Larned.

United Nations Ambassador Arthur J. Goldberg, featured speaker on this occasion, devoted part of his speech to the need for relieving the threat of world hunger through development of technical know-how in countries so affected.

In commenting editorially on Mr. Goldberg's remarks, the Wichita Eagle pointed out the groundwork already done in this regard by my colleague from my State, the Honorable BOB DOLE. I request the editorial be inserted in the RECORD at this point:

[From the Wichita Eagle, Mar. 30, 1967]
GOLDBERG MAKES A POINT ON FEEDING THE WORLD

Arthur J. Goldberg, in his role as ambassador from the United States to the United Nations, has daily contact with representatives of other countries where starvation is a present fact and a frightening future.

So it was natural that he should choose to speak on the subject of world hunger when he came to Kansas Monday to help celebrate the 50th anniversary of the founding of the Federal Land Bank System. And in a state where scientific farming has brought dramatic increase in farm production, Goldberg spoke of the need to teach underdeveloped nations America's knowledge of modern farming.

This is scarcely a new thought to Kansans, of course. Kansas State University, for instance, has for some time been loaning some of its agricultural experts to India to teach scientific farming methods. Rep. Robert Dole of Kansas was author of the "Bread and Butter Corps" amendment passed by the 89th Congress. This is an expansion of the K-State idea, by which the nation will send agricultural technicians, many of them from

other land-grant colleges, to teach scientific farming on a "farmer to farmer" basis in underdeveloped countries.

Private and government programs such as these certainly need to be stepped up as far and as fast as possible. For as Goldberg pointed out, in 15 years, the world will face the necessity of feeding one billion more people than now exist, if population growth continues as predicted.

In view of this troubling need, there ought to be more efforts to teach farming methods that have helped make American rich and well-fed.

In addition, we ought to expand programs that bring over young men from needy countries, to learn modern methods in agricultural colleges like K-State. (Of course, along with an increase in such programs, we ought to stipulate that these students would go back to help their countries, and not stay in the United States as so many foreign students have done to the detriment of their own needy countries.)

While Ambassador Goldberg can't teach scientific farming, there is much that he could be doing in his diplomatic role. Knowledge isn't enough by itself. Medieval land-holding practices prevail in many under-fed countries which keep much prime land out of production while peasant farmers scratch out a living on a few acres apiece. He and other American diplomats could sell the nations of the world on the absolute need for putting all land into production. And he could teach representatives of other governments of the role that the American government has played (through land grant colleges, the Land Bank and many other positive programs) in teaching and promoting scientific farming.

Mr. ABBITT. Mr. Speaker, I am privileged to participate in the discussion today in honor of the 50th anniversary of the Federal land bank system.

In recognizing the 50th anniversary of the Federal land bank system and particularly of the Federal Land Bank of Baltimore, we take pride in the fact that the first loan was made in the State of Virginia in May 1917. This was a loan for \$5,000 which, of course, has long since been paid.

While two of the fastest growing areas in the metropolitan area of the United States are located in my State, nevertheless, agriculture is of major importance. The most recent figures show that there are over 80,000 farms with an income of approximately \$500 million. These figures indicate that agriculture is of significance in our State's economy and that the farmers of our State are continuing to improve their methods of production, enabling them not only to feed themselves but many of the urban dwellers.

Progress in agriculture has been the joint effort of many segments of our economy, including the manufacturers of fertilizer, feed, farm machinery, and chemicals. These improvements in equipment and supplies, along with the experimentation and education available through our land-grant colleges and vocational agriculture teachers have made our farmers the most efficient in the world.

Increased efficiency per man has necessitated large amounts of credit, and among the important contributors to the source of funds have been the Federal land banks of our Nation. These banks were the first to introduce, on a national

basis, the long-term amortized loan with repayments scheduled to fit the farmer's income. Not only have these banks supplied large amounts of money but they have also set the pattern for other lenders who supply credit to agriculture.

In paying tribute to these institutions, it is only proper that we should also pay tribute to the American farmer who has taken advantage of the opportunities made available to him and, as a result, we are the best fed nation in the world.

Today there are 13 Federal land bank associations along with 13 production credit associations serving the farmers of my State. These organizations are entirely owned by the farmers who use them and they do not lend Government money but secure their loan funds from the investing public.

It would be appropriate to point out that during the great depression, the Federal land banks made an outstanding contribution to the citizens and to the economy of our State by making loans to farmers so that they might not only remain the owners of their farms but also put large amounts of money into circulation in the rural communities. Much of this money found its way into the hands of business organizations which thereby helped to stabilize the entire community.

On this occasion I take the opportunity to congratulate not only the Federal land banks but also the farmers who have helped to make our country great.

At the present time there are 3,834 land bank loans totaling over \$65,861,000 outstanding and 5,348 PCA loans amounting to over \$33,683,000 outstanding in our State.

Mr. SIKES. Mr. Speaker, it is our good fortune to commemorate 50 years of service by the Federal land bank system. Those long years of service have been vital not only to our farmers but to the economic welfare of our Nation. The importance of its role cannot be overlooked in light of the conditions which had previously prevailed on the farm front.

Over our earlier history, the farmer was at the mercy of the business cycle as well as the weather cycle. Bust followed boom and an immature banking system contributed to panics which came now and again. Financial strains on farmers, the result of uneven economic conditions as well as crop failures in some areas at times, were the cause of great agricultural unrest. Sometimes this unrest and distress seeped over into politics. In retrospect it is easy to understand the long periods of agitation—the farmer was filled with anxiety as to where he would get enough money to pay his debts, or, if he owned land, where he would find money to expand, make improvements, and modernize. In times of distress, where could he get money to pay the interest on his mortgage, or, if the mortgage should come due at such a time, how could it be extended or refinanced? How could he keep the taxes paid up?

The sources from which money might be borrowed tended to be local and had the unfortunate characteristic of vanishing or becoming very tight in periods of hard times. If capital was available

at all, interest rates mounted at such times. Nonlocal money was sometimes available from insurance companies, private banks and some commercial banks—but those institutions were more nearly geared to the framework of industry, not so much to the uncertain elements of farming.

Farming was long plagued by short-term loans, unreasonably high interest rates and terrible uncertainty as to whether renewal of the loan would be possible when it became due. There were periods of distress which hit the farming economy so hard that many farmers were faced with foreclosure. Farming needed a source of capital which would take into account the needs and abilities of the farmer—need to keep up with the growth and development of the rest of the country, and sound capability to make repayment of debts over a longer time period. Increasing pressure to modernize and mechanize made farmers strive to buy more land and machinery, both of which required credit unless the individual had accumulated capital. Finally, it appeared that he had nowhere to turn but to the Congress of the United States.

In 1916, the Federal Farm Land Act was passed to fit, as well as possible, into the pattern of need of the U.S. farmer and the agricultural community at that time. Largely fashioned after existing European institutions, the plan called for a regional setup. There were 12 banks created, all of which are still active, each was to serve a defined area of several States. Each bank began with about \$9,000,000 supplied almost entirely by the Federal Government with the idea that the Government's investment would eventually be liquidated by the purchase of stock by borrowing farmers. Fortunate circumstance was realized and now the entire system is farmer owned.

Locally, loans were provided and serviced at the farm level by individually chartered associations, initially called National Farm Loan Associations, now the Federal Land Bank Association. They are farmer owned and directed.

There have been spurts of progress for the plan and times of setback. Its first years in existence, the bank showed tremendous growth only to be thwarted temporarily by the constitutionality test in 1921. Then, it surged ahead again as commercial banks called for the liquidation of farm debts held by their firms. A tremendous land boom during and shortly after World War I was followed by a depression which drove the land banks to eliminate all lax practices. Yet, these setbacks reflect the conditions under which the system operated, not necessarily the faults within the banks themselves.

In 1923 the Agricultural Credit Act was passed, creating Intermediate Credit Banks. These banks were designed to provide a permanent and dependable source of funds for institutions making loans to farmers. In 1933, Congress passed another vital agricultural credit act—the Farm Credit Act. This act was responsible for slight changes in organization and subsequent increased reliability and serviceability of the credit system in general. The 12 district banks

and the central bank for cooperatives in Washington, D.C., were designed to be a source of business-type credit for farmer cooperatives.

The system should be considered valuable not only for the millions of loans it has issued, nor for the opportunities it has granted to struggling farmers to buy, to build, and to refinance debts. It must also be regarded as an innovating force, a catalyst in the farming business. We should recognize also that there were times of flood and drought when the Federal land bank system, through its local associations acted as distributing agencies for credit assistance and got the stricken areas back on their feet. One may observe that business firms, especially insurance companies, have been motivated to give loans on the same basis as those used by the land banks, once it became evident how satisfactory the plan was.

Nor must we consider that the work has been fully accomplished, and is over. Far from it. Every year the fast growing economy and the even faster growing population place demands on the farmer to expand his farm and run it largely by mechanization. Even more than before, he needs credit in large amounts, short-term and long-term, with some flexibility in repayment schedules. He needs low interest rates if they can be obtained. He needs understanding at refinancing time. All of these can be supplied by the loan associations and the banks. Some would rather deal with their own cooperative than to have to deal with a private firm. Some farmers want to borrow where they can buy stock and become members and be part of their own association, rather than a mere borrower.

The Federal land bank system as passed in 1917 was expanded and improved on several occasions with newer legislation. It has truly served the farmer. It has saved him money and modernized his credit system. It has enabled him to grow with the upward tide of the rest of the Nation.

It is well to take note of the 50th anniversary of the act and to encourage the continuation of the fine work in the future.

Mr. DOW. Mr. Speaker, agricultural activity in the district of New York State which I represent constitutes an important element in our local economy; and I am, therefore, most pleased to take part in commemorating a half century of service to farmers by the Federal land banks.

The Federal Land Bank Associations of Middletown and Oneonta help finance farming enterprises in four counties which I represent—Orange, Sullivan, Rockland, and Delaware. Fifty years ago in 1917 these associations made eight loans in these four counties in the amount of \$43,600, total. At the present time, the associations have loans to 1,037 farmers, totaling \$14,557,956 in these same four counties.

In many respects the trend in agriculture in my district seems to be a model for the national trend. As in most other parts of the country, modern agricultural methods and the need for expanded pro-

duction are resulting in fewer farms numerically but larger, more efficient, and more productive units. Each year, according to information from the land bank associations in my district, the dollar volume of money loaned to farmers has been increasing in spite of the fact that the actual number of farms has been decreasing.

Another trend which has created problems in various parts of the country, and which is a matter worthy of most careful consideration as we think ahead on the matter of sufficient food supplies versus growing population, has come out quite noticeably in Rockland County. Farming in this county is well-nigh prohibitive owing to high taxes and the transfer of land to real estate development.

Nevertheless, agriculture in the 27th Congressional District of New York is forging ahead. The total estimated value of farm production in Orange County, for example, amounts to \$39 million a year from dairy operations, muckland crops, poultry, fruit, and nursery production. For Sullivan County the farm income total runs close to \$25 million a year.

Through 50 years, the Federal land bank program has provided encouragement and sound guidance to farmers of the area—in addition to giving them access to borrowed capital. In my opinion, it is most appropriate that we in the Congress and citizens everywhere should take this opportunity to congratulate the Federal land banks and local associations on their 50th anniversary, and to express appreciation to farmers themselves for their vital contributions to the national economy.

Mr. OLSEN. Mr. Speaker, the 50th anniversary of the Federal land bank system, which we are commemorating here this week, has real significance in the State of Montana. In keeping with the dedicatory theme of the anniversary observance, I would like to pay tribute to the farmers and ranchers of my State who have made such spectacular progress with the assistance of land bank financing.

One of the five Northwest States served by the Federal Land Bank of Spokane, Montana was the site of the first Federal Land Bank Association chartered in the Spokane district and eighth in the United States. The chartering date was May 8, 1917. This association, then known as Tobacco Valley NFLA, has since become a part of the Federal Land Bank Association of Kalispell, in the western part of my State.

Established at a time when agricultural credit of any type, and particularly long-term, low-cost farm real estate credit, was most difficult to obtain, the Federal land bank system opened the door to the money markets, giving farmers and ranchers of Montana and the other States of the Union their first opportunity to compete with business and industry for the investment dollars concentrated in the large metropolitan centers. The land bank system not only revolutionized the financing of agriculture and gave meaningful stature to agriculture as a credit-worthy industry, but

its leadership and innovations have resulted in billions of dollars of savings to all users of agricultural credit.

The Federal Land Bank of Spokane, chartered April 3, 1917, has been a major source of credit for northwest agriculture during its entire 50 years of operation. Since closing its first loan on May 24, 1917, it has extended over a billion dollars of credit to more than 120,000 farm and ranch operators in Montana, Idaho, Oregon, Washington, and Alaska. At the end of last month, March 31, 1967, there were approximately 25,500 loans in the bank's outstanding loan account totaling almost \$430,000,000, making it one of the largest financial institutions operating in the entire Northwest area.

From an original capitalization of \$750,000, when it was established in 1917, the Spokane bank has accumulated more than \$50,000,000 in capital and reserves and has attained total assets of approximately \$450,000,000 because its operations have been integrated with the progress of agriculture in our district. Nor is its current worth a true reflection of its potential earning power since the bank's primary purpose is to perform services for its owners rather than accumulate assets.

The Spokane bank's record of progress closely parallels that of the dynamic agricultural area it serves. Originally capitalized by the Federal Government, the bank fully retired the last of its Government indebtedness in 1945, placing its ownership entirely in the hands of the local farmer-owned Federal land bank associations which make and service its loans. And, since 1944, the bank has paid more than \$10,000,000 in dividends on this association-held stock. The greater part of this dividend money has been passed on to the associations' farmer and rancher members who are the bank's borrowers. Today, the five-State area is served by 61 associations, each strategically located to provide fast and convenient service.

Northwest agriculture is truly a dynamic industry. Its spectacular progress has been the result of teamwork, combining the initiative of farmers themselves, the technological improvements developed by industry and research, and the input of capital to properly utilize the revolutionary creations of technology. The Federal Land Bank of Spokane has been privileged to serve on this team, helping northwest farmers and ranchers make a major contribution to the greatest array and abundance of food and fiber the world has ever known.

Indicative of the growing need for capital input to meet these revolutionary changes in northwest farm operations is the increasing size of loans made by the bank. In 1917—50 years ago—the average was \$2,250. This increased to \$4,500 in 1942, the bank's 25th anniversary, and in 1966 the average had climbed to \$28,100. In Montana, the average land bank loan closed in fiscal 1966 was \$37,600, the highest in the five-State area.

Since closing its first loan in Montana 50 years ago, the Federal Land Bank of Spokane has recorded 25,866 loans in the

Treasure State for a total of more than \$284,000,000. As of January 1 this year, it had 5,723 loans outstanding in Montana for \$129,000,000. This represents approximately 30 percent of the total farm real estate debt in our State, truly indicative of the major role this institution is playing in helping farmers and ranchers in my State gear and regear their operations to meet the revolutionary changes resulting from the application of technological knowledge.

Mr. SMITH of Oklahoma. Mr. Speaker, Oklahoma was a very young State when the Federal Land Bank of Wichita received its charter on March 1, 1917. The Wichita bank, which serves Oklahoma, Kansas, Colorado, and New Mexico, was the first of the 12 banks in the land bank system.

In its early history, Oklahomans put emphasis on oil and mineral exploitation; however, the land bank loans gave the State's agriculture a real boost.

As was the case nationwide, farmers of Oklahoma organized associations and applied for the 5-percent long-term loans. In October 1917, the association at Goodwill, Okla., had a total of 300 members as compared to the usual membership of 15 to 20 for other associations. This was just 7 months after the start of the Wichita bank.

Dan F. Callahan, first president of the Federal Land Bank of Wichita, stated in September of 1917 that applications totaling \$4,626,897 had been received from Oklahoma residents. Districtwide, the applications represented requests for \$20½ million in September. Callahan stated that lending was running \$75,000 to \$100,000 per day.

A news item in September 1917 stated that 100 associations, then known as national farm loan associations, had been organized in Oklahoma at that time.

Robert Campbell, of Anadarko, Okla., was the first appraiser appointed by the Federal Land Bank of Wichita. Appointments of appraisers which followed included men from Kansas, Colorado, and New Mexico. Thus these men were familiar with the land of the district, and early response to land bank loans swamped the new organization.

By February of 1918, Milas Lasater, of Oklahoma City, reported that 1,162 loans had been made to Oklahoma farmers totaling \$2,285,700. Mr. Lasater, formerly a bank official of Pauls Valley, Okla., was appointed as vice president and director of the district land bank. At that time 48 of Oklahoma's 76 counties had established associations to handle land bank loan applications.

President Callahan's report in June 1918 showed that the Federal Land Bank of Wichita had loaned an average of \$32,716 every business day since it was opened 15 months previous, for a total of \$11,647,000. The lending by States at that time was as follows:

Kansas	\$5,546,700
Oklahoma	2,869,500
Colorado	1,892,000
New Mexico	1,342,800

Callahan calculated that the reduction in interest through land bank loans meant a savings of \$29 per thousand for Oklahoma farmers. This showed a total

savings of \$83,215 on the lending in Oklahoma to that date.

Agriculture of Oklahoma and the Nation has become mechanized, more technical, and more efficient during the ensuing 50 years.

Farmers and ranchers have used the capital for land bank loans to gain this efficiency and become providers of plenty for a hungry world.

We now see increased pump irrigation in western Oklahoma where rainfall has been a limiting factor.

Clearing of land and soil improvement in eastern Oklahoma is progressing rapidly.

There is much greater use of fertilizer recently throughout the State. Development of water resources and recreational facilities of the Arkansas and Red River Basins has improved home desirability while the number of part-time and smaller farms is increasing. Due to the abundant water supply and electricity produced being associated with cheap natural gas and coal, industry is being attracted with a related growth in population and need for more agricultural products. As a further impetus, navigation will soon bring in water transportation. Agricultural growth of the State seems assured.

The Federal land bank system is completing a 50-year success story and the Federal Land Bank of Wichita has carried well the distinction of being the original bank. From its first \$5,000 loan to A. L. Stockwell, of Larned, Kans., the Wichita bank now has 32,352 loans outstanding. These loans total over \$429.7 million.

There are currently 8,242 loans with Oklahoma farmers and ranchers totaling \$88.3 million.

During its first half century the Federal Land Bank of Wichita has loaned \$269,166,100 to Oklahoma farmers, represented by 49,129 loans.

Oklahoma people have been a part of the land bank system during its 50 years of service. Now serving on the board of directors for the Federal Land Bank of Wichita are: Ben Swigart, Mooreland, Okla.; Lyle L. Hague, Cherokee, Okla.; and Wm. D. Lackey, Sayre, Okla.

Other district directors are: James R. Isleib, Shawnee Mission, Kans.; Leo Paulsen, Concordia, Kans.; Sherwood Culberson, Lordsburg, N. Mex.; Harold W. Hancock, Rocky Ford, Colo.

GENERAL LEAVE

Mr. DOLE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous matter on the subject matter of my special order.

The SPEAKER pro tempore (Mr. WALDIE). Is there objection to the request of the gentleman from Kansas?

There was no objection.

THE 50TH ANNIVERSARY OF THE FEDERAL LAND BANK AND THE FARM CREDIT SYSTEM

The SPEAKER pro tempore. Under a previous order of the House, the gentle-

man from Kansas [Mr. SHRIVER] is recognized for 60 minutes.

Mr. SHRIVER. Mr. Speaker, 50 years ago this year the Federal land bank and the farm credit system were created following passage by Congress of the Federal Farm Loan Act. Today the 12 land banks and approximately 700 local associations comprise the Nation's largest system for providing private capital to farmers, ranchers, and growers through long-term real estate loans.

It is a privilege for me to join with my colleague from Kansas [Mr. DOLE] in reserving this time so that Members of the House may take note of this historic and significant anniversary which means so much to American agriculture and to every American citizen, whether they live in rural or urban areas. My purpose in requesting this added time was to assure all Members the opportunity of participating in this tribute.

It was in my congressional district in Wichita, Kans., that the first Federal land bank was chartered and it was in Larned, Kans., that the first Federal land bank loan was issued on April 10, 1917.

By the end of that first year of the Federal land bank system, 2,100 associations had been chartered confirming the widespread and urgent demand for agricultural credit on a long-term basis.

By November 17, 1917, farmers had obtained 14,000 loans for an aggregate amount of \$29.8 million at 5 percent interest. Just a year later, there were 3,365 operating farm loan associations and they had made loans to applicants in the total amount of \$147.4 million. Now, 50 years later, over 2 million loans have been issued to farmers, totaling in excess of \$12.5 billion.

Mr. Speaker, today some 388,000 member-borrower-owners of the present 700 Federal land bank associations hold approximately \$4.7 billion in loans outstanding, representing 20 percent of all current farm-mortgage credit in the country.

When a farmer or rancher obtains a Federal land bank loan through his local association, he is required to invest in that association by purchasing association stock equal to 5 percent of his loan. The loan he receives covers the cost of the stock, so that he immediately becomes a stockholder. The association in turn purchases an equal amount of stock in the Federal land bank.

So the Federal land bank system is truly "of, by and for" those it was designed to serve, the farmers of America.

Operations of the 12 Federal land banks and the hundreds of local associations come under the general regulatory and supervisory authority of the Farm Credit Administration. Significantly this independent Federal agency is supported not on Government funds provided by taxpayers, but by earnings from the banks. I was glad that the distinguished gentleman from Texas [Mr. MAHON] named the leadership. I personally know of the distinguished leadership of one of those, Bill Plasted of Wichita.

All Government funds, originally advanced as "seed money" when the system began, and later to provide emer-

gency assistance to farmers during the depression of the 1930's, have long since been paid back to the Treasury. The final payments were made in 1947, the year when the land banks and associations became fully owned by those whom the system was designed to serve—the American farmers.

The Federal land bank system was born at a critical period in American history. World War I was soon to engulf our Nation with skyrocketing demands for sharply increased output of food and fiber. It came during a time when credit was as difficult for a farmer to get as a drenching rain in Kansas today.

Our credit system was aimed primarily at meeting the needs of business and industry. Agriculture was a horse of a different color. There was no system adapted to the longer term needs of agriculture which so often required years to achieve a return on its investment.

This was not a planned void in our credit system. Commercial banks had to limit their farm mortgage lending because of their primary obligations to keep depositors' funds invested in assets readily convertible to cash. Insurance companies tended to make loans in areas primarily where loans were large and risks low. In addition, most investors were situated in cities, far removed then from the farming areas—not by distance alone but also by habits and customs.

Mechanization also was beginning to make its impact upon agriculture in the 1900's. The industrial revolution in agriculture continues today and helps underscore the importance of the farm credit system. It was fortunate, too, that this system was in existence when the great depression almost paralyzed our agricultural economy in the 1930's. Emergency Federal loan funds were channeled to farmers through the Federal land banks. Thousands were provided with the financial resources to cope with the tremendous production effort imposed by World War II.

Mr. Speaker, the theme of this golden anniversary of the Federal land bank system is "Dedicated to America's Farmers: Providers of Plenty." As we pay tribute to the Federal land bank system, we also should pause to recognize the tremendous accomplishments of the American farmer who is on the frontline in the world war on hunger.

In 1917, one farmworker produced only enough food and fiber to supply eight persons. In 1967 he can produce enough to meet the needs of 37.

One hour of farm labor produces more than five times as much food and other crops as it did 50 years ago. The volume of farm output, in terms of farm marketing receipts, jumped from \$10 billion in 1917 to an estimated \$40 billion for this year.

Crop production is now 75 percent higher per acre than 50 years ago; output per breeding animal is 95 percent greater.

It is such technological progress on the American farm that produces a tremendous volume and variety of foods at prices which represent the biggest bargain placed on American tables.

The availability of agricultural credit

undoubtedly will continue to be vital in the future of American agricultural progress and to the eventual success of the war on hunger.

We will continue to witness a scientific and industrial revolution on the farm. The increasing use of machinery and other modern equipment, the trend toward agricultural specialization, and larger commercial family farms will necessitate more long-range capital expenditures now than in years past, and therefore, more credit.

Mr. Speaker, our Government with funds supplied by the American taxpayer has spent billions of dollars on foreign aid and on defense and security programs to thwart the spread of communism and to help the so-called underdeveloped nations in the hope that they will turn their backs on communism.

I submit that American agriculture's power to produce represents a major area in which there simply is no contest with Communist nations. Communist nations are falling on the farm. The major Communist powers—the Soviet Union and Red China—are finding it necessary to import increasing amounts of grain. They are strained to support the food needs of such satellites as Communist Cuba.

The American farmer, his technology, his skill and understanding of the land he tills may, in the long run, be our most valuable key to overcoming the threat of communism around the world. Food indeed is more valuable than dollars insofar as foreign aid is concerned.

A population explosion is underway in countries least able to support the skyrocketing increase. There is little additional land that can be brought under economical cultivation in many underdeveloped countries.

Thus, we find America's farmers are regarded as the hope of the world in the years ahead—not to feed all people everywhere, which would be impossible for any one country's agricultural ability to accomplish, but to help prevent a global catastrophe while long-range solutions are being worked out.

On this historic anniversary of a worthy and valuable program, we should take note of the important contributions of American agriculture and the Federal land banks. It is incumbent upon all of us, whether we come from urban or rural areas, to recognize the importance of agriculture and the American farmer to the security and well-being of every citizen in this great land.

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

Mr. SHRIVER. I am delighted to yield to the distinguished gentleman from South Carolina.

Mr. WATSON. Mr. Speaker, I rise again to commend the gentlemen in the well at this time, with equal fervor, as I commended the distinguished gentleman from Kansas [Mr. DOLE], for his undivided, untiring, and dedicated interest in behalf of the agricultural industry of this country.

Further, Mr. Speaker, I rise in view of the fact that the distinguished gentleman from Texas [Mr. MAHON] mentioned a few individuals for the wonderful and efficient assistance which they

have given toward the operation of the Federal land bank system.

Mr. Speaker, the gentleman from Texas [Mr. MAHON] mentioned one name which could not escape my attention, the Honorable Robert A. Darr.

As I indicated in earlier remarks today, Mr. Darr is president of the land bank which is located in my hometown of Columbia, S.C. Mr. Darr has performed a remarkable job in bringing outstanding success to the land bank in South Carolina which serves the great States of South Carolina, North Carolina, Georgia, and Florida.

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

Mr. SHRIVER. I am delighted to yield to the distinguished gentleman.

Mr. HAMMERSCHMIDT. Mr. Speaker, I wish to thank the gentleman from Kansas, and his colleague from the State of Kansas, for yielding. I congratulate them for leading this meaningful salute to the land bank program on its 50th anniversary.

The State of Arkansas is well known for its contributions to agriculture for the people of Arkansas, our country, and the world. The favorable impact of land bank activities has been substantial in our State.

It is indeed appropriate that 1967, the golden anniversary of the program, is to be dedicated to "American Farmers: Providers of Plenty." The farmer of Arkansas has made great progress since the inception of this program in 1917. Since the first land banks were established, the Arkansas farmer has been making progress in developing his skill and increasing his capacity to produce for the benefit of the country. It is a crying shame he is not reaping more of the rewards at this time in our growing economy.

This program, which since 1947 has been solely owned by the farmers, will make great strides in meeting the agriculture challenges of the future. The real challenge to our agriculture industry lies ahead in helping this country find ways to meet the ever-growing demand for agriculture products. I am also hopeful we in Congress can find a way to see that the farmer has a chance to make a fair return on his investment.

It is indeed an honor to wish the participants of the land bank program well on this, their 50th anniversary.

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

Mr. SHRIVER. I am happy to yield to the distinguished gentleman from Arkansas.

Mr. ABERNETHY. Mr. Speaker, the Federal Land Bank of New Orleans was 50 years old in March of this year. The services which it has rendered to the farmers of Alabama, Louisiana, and Mississippi are too numerous to mention. It has been a blessing to our people and a boon to our economy.

One of 12 banks in the Federal land bank system, the New Orleans bank was chartered on March 8, 1917. Since its founding, the Federal Land Bank of New Orleans has provided more than 175,000 long-term, real estate loans to farmers

in its three-State area, which includes Alabama, Mississippi, and Louisiana.

Incidentally, Mr. Speaker, this takes me back quite a way. It was my privilege as a country lawyer and as a local correspondent for the Federal Land Bank of New Orleans to personally close many of these loans.

Like all members of the system, the New Orleans bank is owned by farmer-members who belong to local Federal land bank associations. There are 51 local associations—19 of which are in Mississippi—with approximately 26,000 members in the New Orleans district.

The structure for the land bank system was established in 1916 when President Woodrow Wilson signed the Federal Farm Loan Act. President Wilson's action was the end product of a decade of studies conducted by two previous Presidents, Theodore Roosevelt and William H. Taft. Theodore Roosevelt's Country Life Commission, appointed in 1908, held 30 public hearings into farm problems. The Commission found a "lack of any adequate system of agricultural credit whereby a farmer may readily secure loans on fair terms."

As a part of the golden anniversary observance in 1967, the Federal Land Bank of New Orleans has joined the 11 other land banks in our Nation in sponsoring a year-long program to inform the American public of the accomplishments of agriculture. This public information program and the entire anniversary observance has been dedicated to "America's Farmers: Providers of Plenty."

President Johnson, in corresponding to the Farm Credit Administration on July 16, 1966, wrote:

The Federal Land Banks and local associations . . . opened the door to modern farming and ranching operations throughout the country.

Mr. Speaker, I would like to relate a few of the things that have happened in Mississippi agriculture in the past 50 years.

The average size of all farms in Mississippi in 1910 was 68 acres, according to the Bureau of the Census. In the preliminary reports of the 1964 Census of Agriculture, the average size was reported to be 163 acres. This increase—from 68 acres to 163 acres—is indicative of what has been going on in Mississippi agriculture.

Constantly changing agriculture remains a significant factor in the economy of my State. The value of all farm products sold in Mississippi in 1910 amounted to approximately \$147 million. In the succeeding 50 years, this figure has grown to \$725 million. Now it is approaching the billion mark.

A comparison of the average value of land and buildings per farm also points out that Mississippi agriculture is not a secondary industry. According to the 1910 census, the average value of land and buildings per farm in Mississippi was \$1,554. This figure, as reported in the 1964 census, has climbed to \$24,801.

Several things are responsible for the growth in Mississippi agriculture that I have noted. But I think the principal reason is the availability of sound and adequate and dependable long-term

credit, made available to Mississippi farmers through the farm credit system, and particularly the Federal Land Bank of New Orleans.

As the Federal land banks observe their golden anniversary in 1967, people everywhere have just cause to recognize the important part which the productive use of credit has played in developing the agriculture strength of our entire Nation. These institutions have been under good management which has kept abreast of the times and the needs of our farmers.

We are proud of the record of the Federal farm credit system, and particularly the Federal Land Bank of New Orleans, which has served my people so well and which will continue to serve them in the future. We are proud of our farmers who have made the system work, who have prospered and reached an enviable position in the world of agriculture, the greatest science known to man. We salute them on this golden anniversary and wish for their credit system and the farmers themselves continued progress and prosperity in the years ahead.

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

Mr. SHRIVER. I yield to the distinguished gentleman from Ohio [Mr. McCULLOCH].

Mr. McCULLOCH. Mr. Speaker, I wish to commend my able colleague from Kansas [Mr. SHRIVER] for arranging the special order and I wish to thank him for then yielding time to me to say a word or two about the Federal land bank system, which is celebrating its 50th anniversary this year.

The Federal land bank system has come of age. Every one of the 12 land banks has repaid, in full with interest, the capital that was necessary for the U.S. Treasury to put into the system to meet the emergency of the early 1930's.

The system not only saved farms for their owners but also saved many rural banks in America, and continues to serve the evergrowing capital needs of agriculture.

One of the directors of the Federal Land Bank of Louisville, Mr. Sam Studebaker, R.R. 1, Tipp City, Miami County, Ohio, my longtime friend, has been one of the leaders in supplying the credit needs of the farmers of the great Miami Valley for more than 30 years.

Mr. Studebaker is also president of the National Association of Soil & Water Conservation Districts of America. His work is equally dedicated and productive in this field. The consumers are grateful for this kind of service to agriculture, and trust that it may continue without improper interference.

In speaking about the farm credit system, I now wish to quote an editorial from the April 1967 issue of the Farm Journal, entitled "Who's in Charge Here?"

WHO'S IN CHARGE HERE?

Would you believe that "a bunch of farmers" could build, own and operate a bank that lent more than \$8 billion last year—about a fifth of all the money U.S. farmers borrowed? And that its loans increased 17% in 1966, the tightest-money year since the early 1930s?

Well that's the case, and the "bank" is the Farm Credit System, a farmer cooperative of

giant size. Its fiftieth anniversary will be celebrated in Larned, Kans. March 27, and in Washington April 3.

That "bunch of farmers" numbers nearly a million stockholders by now, and roughly three-fourths of them have loans outstanding at their "bank" at any given time.

Moreover these farmers go down to Wall Street to raise the money they're going to lend themselves. There they sell to the public, securities which are considered Triple A.

This all started with 12 Federal Land Banks back in 1917. In 1923 the 12 Federal Intermediate Credit Banks were added (the banks that now supply the money for the Production Credit Associations that dot the country), and in 1933 the PCAs themselves and the 13 Banks for Cooperatives came along. All of these banks were set up with government money, but today most of it has been paid back. The Land Banks got out of hock to the government back in 1947. Today four of the Co-op banks have repaid all their government money, and the other nine will be in the clear within the next two or three years. The Intermediate Credit banks owe \$126 million. All but two of the 463 PCAs have repaid the government capital.

In 1953, Congress passed a new Farm Credit Act which took the System out from under the wing of the Department of Agriculture and declared it to be an "independent agency," owned and run by farmers.

And there seemed no doubt of it until last September. Since then there's been some question as to how independent it is.

Until then the farmers' banks and the Federal Farm Credit Administration had used their own judgment as to when to go to the market for more money. They had done what farmers' needs seemed to require. And last fall this was requiring a lot. Some other lending agencies, feeling the pinch of tighter money, had cut back on their farm loans. At the same time farmers, who were about to farm 30 million more acres in 1966-67, were needing more credit.

Just as the Farm Credit banks were getting ready to go to the market for this extra money, they were confronted by an order from the White House, not a suggestion, telling them to desist. They could sell only enough securities to replace those coming due. If they needed additional money they would have to go to the U.S. Treasury for it, and the Treasury would do as it deemed best.

This was to be temporary, and only for the duration of the "emergency," it was explained. And certainly an emergency existed. The country was threatened with a near-panic on money.

The Farm Credit banks cooperated, partly because they knew the situation required it and partly because they were no more able to stand up to White House pressure than U.S. Steel once had been.

Actually they never ran out of money due to the fact that they sent out directives to the local credit associations and co-ops to hold back on loans except for necessary operating expenditures. The shock was eased some by the knowledge that all banks are under some kind of regulation; farm credit co-ops could scarcely expect to be an exception, despite the high priority agriculture warrants.

The concern now is not over what happened last fall. That's over. It is whether the "temporary" controls slapped on then will become permanent. The order has not yet been rescinded, in spite of the considerable easing in the money market since the first of the year. *The Federal Farm Credit System still must go hat in hand to the U.S. Treasury for approval before it can obtain additional money.* Farmers will watch to see how long the "emergency" is to be.

Once it seizes control, government is never in a hurry to give it up. Whether the Farm Credit System can run its own show, or whether the government is going to call the

shots from here on, is the big question as this most successful co-op heads into its second half century. Farmers own it, all right, but will they be able to run it?

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

Mr. SHRIVER. I yield to my colleague from Kansas.

Mr. DOLE. Mr. Speaker, I thank the gentleman for yielding and for his participation. I certainly want to extend special thanks to our land bank president, William G. Plested, Jr., of Wichita, who did a splendid job one week ago in handling the 50th anniversary celebration in Larned, Kans.

I also wish to thank Members of the House, some 60 to 70, who have participated in this and the previous special order, which in itself is a fine tribute to the farm credit system.

Mr. Speaker, I ask unanimous consent that all Members who have participated in this or the previous special order may be permitted to revise and extend their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

HALPERN BILL PROVIDES OVERTIME PAY FOR POSTAL EMPLOYEES

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. HALPERN] is recognized for 10 minutes.

Mr. HALPERN. Mr. Speaker, we cannot be blind to the fact that when the Federal Government goes to market to hire critically needed employees, it must compete with business and industry.

It is true that the security offered in the Government civil service gives Federal hirers an advantage. But the advantage is lost when other benefits fall too far below those offered by private employers.

In the Post Office, especially, we have allowed a serious problem to develop. The Postmaster General has admitted that one of the most serious problems of his department is high personnel turnover. The Post Office is being plagued by a growing "dropout" problem.

It is important to the Government as an employer, and to all the people of the United States as users of vital postal services, to improve morale and cut down on the turnover of post office personnel.

I introduced two bills on March 16 to take necessary steps in this direction. One would upgrade post office salaries to bring them into a more comparable position with those of private industry. The other would provide for official grievance machinery for organizations of Federal employees.

Today, I have introduced another bill to help bolster the flagging morale of our postal employees. It would establish a basic, 40-hour, Monday-through-Friday work week, and provide for time and one-half overtime pay for any work done in excess of 8 hours a day and on Saturdays. It would provide double pay for work done on Sundays and holidays.

These are fairly standard rates in pri-

vate employment fields. I am certain that their benefits in employee morale would make them worthwhile in the post office. I urge prompt action to speed them toward enactment.

THE BUCKEYE TREE

Mr. MILLER of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. MILLER of Ohio. Mr. Speaker, this morning a buckeye tree, State symbol of Ohio, was dedicated to the State in ceremonies held on the Capitol Grounds. This tree is the only one on the Capitol Grounds dedicated to the State of Ohio. The tree is located on Library Drive across from the House steps of the Capitol.

The buckeye tree plays an important part in the heritage of Ohio. Its beginnings can be traced back as far as 1788. Buckeye comes from the Indian word "hetuck" which means "eye of the buck deer." Most authorities agree that the tree got its name from "hetuck" because of the similarity between the fruit of the tree and the buck's eye.

One highlight of today's program was the presentation of "hetuck cookies" by Mrs. Gloria Hoover of Granville, Ohio. The unique cookie is shaped like the buckeye. Those in attendance at the Ohio delegation to Congress were: WILLIAM M. McCULLOCH, SAMUEL L. DEVINE, ROBERT A. TAFT, JR., CLARENCE J. BROWN, JR., CHARLES W. WHALEN, JR., CHALMERS P. WYLIE, and Architect of the Capitol J. George Stewart.

FIGHT AGAINST POVERTY

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. BARRETT] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BARRETT. Mr. Speaker, no single division can win in this Nation's fight against poverty. It is a struggle that demands the involvement of every resource we have. I was encouraged, therefore, to read, just before our Easter recess, of the recognition given this fact by the United States Chamber of Commerce in hearings before a Senate subcommittee.

It was the view of the United States chamber witness that much needs to be done for America's poor, many people must be involved and that the Federal Government has a responsibility to help. This strategy is in line with the program of the Office of Economic Opportunity and its Director, Sargent Shriver.

Under permission to extend my remarks I would like to include in the Record the very fine article written by one of the most able and skillful mem-

bers of the press, Lawrence M. O'Rourke, of the Philadelphia Bulletin, covering this significant testimony:

C OF C JOINS POVERTY WAR
(By Lawrence M. O'Rourke)

WASHINGTON.—A Senate subcommittee investigating the Federal war on poverty last week experienced an unusual exchange.

An organization which traditionally opposes Federal intervention in local problems, the U.S. Chamber of Commerce, told the subcommittee that much more needs to be done for America's poor and Washington must do a lot of it.

And a senator who consistently supports an expansion of the war on poverty and other social action endeavors wondered aloud where the money is going to come from to pay the government's bills. That was Sen. Robert F. Kennedy (D-N.Y.).

A task force of the C. of C., an organization not very much in love with the anti-poverty program at its inception, grabbed the senators' attention with the presentation of a long list of the nation's weaknesses and demands.

A PRIME GOAL

"Poverty in America is a problem that must not be underestimated. Its alleviation should be a prime social and national goal," the task force said.

If voluntary and private means cannot meet society's needs, it said, "Government programs should be used to help the sick, disabled and aged."

It urged better schools, hospitals, social services, job training.

Kennedy looked across the table at Erwin D. Canham, representing the C. of C. and said, "Those items alone would cost a minimum of \$10 billion. How are we going to pay for them?"

It seemed possible that Kennedy was expressing a concern for the difficulty in which President Johnson finds himself.

The President must balance the spending needs, including the Vietnam war, with tax income and the general economic picture.

NO FANCY PANACEA

"We have no fancy panacea for raising the money," said Canham, who is editor-in-chief of Christian Science Monitor. "But we feel that as a start is made, the benefits will feed back, and the program will help to finance itself through its returns."

This is precisely what federal planners of the U.S. Office of Economic Opportunity, the antipoverty unit, said less than three years ago.

The view is based on a belief that the poor want to help themselves, and given the chance, they'll do it, and the results will not only help the individuals, but the nation as a whole.

In his poverty message to Congress, President Johnson said he recommended a \$25.6 billion expenditure next year to help the poor. That includes \$2.06 billion for the OEO, a 25 percent increase over this year.

BUDGET TOO SMALL

Most of the witnesses before the Senate committee agreed that the OEO budget is not nearly high enough. Kennedy warned that the program, originally oversold by the OEO as a cure-all for poverty and now weakened by budget miseries, may backfire.

The poor are likely to be convinced once again, he said, that Government really doesn't mean what it says, and disorder in the big cities may follow.

The witnesses assembled for the subcommittee by the staff under chairman Sen. Joseph S. Clark (D. Pa.) were unanimous in urging further Government efforts to end poverty.

As the week began, two Republican senators, George Murphy of California and Winston Prouty of Vermont, spoke critically of the witness list.

In a roundabout way they suggested that the list was stacked in favor of the poverty program.

"The snow job is over, Joe," Murphy told Clark.

SURPRISE OF WEEK

If Murphy was looking for an ally in the C. of C. task force, he found none. The task force's appearance in behalf of a war on poverty may have been the biggest surprise of the week.

Getting Americans to agree that poverty is bad for both the individual and the nation should not be a surprise.

But convincing the taxpayers that further progress, which will be expensive and less spectacular, must be made, is likely to prove a bigger challenge.

NEED TO REVISE SELECTIVE SERVICE LAW—XXXIX

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. KASTENMEIER] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. KASTENMEIER. Mr. Speaker, opponents of an all volunteer military force have sounded the tocsin. The Nation has been alerted that such a military system will produce a highly professional body that will jeopardize the very existence of our democratic institutions. Dire predictions are made that an authentic "Seven Days in May" takeover will be inevitable. We are warned that the professionalization of the Armed Forces will give this country a Prussian military caste. We are told by General Hershey that a voluntary force would be composed of "mercenaries."

Many of these fears, undoubtedly, are generated by the study of the military in many foreign lands. But, there is no historical evidence to prove that either a voluntary force promotes military cabalism or that a conscripted force prohibits one. Napoleon, for example, rose rapidly in the levee en masse army of revolutionary France in his climb to glory. Hitler, on the other hand, achieved power through free elections in a state whose military forces were limited by treaty. Once firmly established, however, he discarded the Versailles Treaty in 1935 and introduced conscription to carry out the aggressive foreign policy he was about to undertake.

In the United States, however, such fears should be groundless. Although a professionalism already exists within our military forces—the career officer corps—the constitutional tradition of civilian control of the military is so firmly rooted in the history of this country as to prevent any possibility of military usurpation of power.

For those who may still harbor some doubts as to whether our historic heritage is enough to prevent a military takeover, certain preventive measures can be introduced in an all volunteer force. For example, the period of enlistment can be limited. There can be periodic transfers of personnel. More

civilians can be used in noncombatant positions.

The argument, then, that a voluntary recruitment of military personnel will eventually lead to the establishment of a military regime, or extend the influence of the military in some manner, is not valid.

TENNESSEE OBSERVES DST

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. FULTON] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. FULTON of Tennessee. Mr. Speaker, on Tuesday, March 28, 1967, the Senate of the Tennessee General Assembly voted down 20 to 12 a bill which would have exempted Tennessee from observing daylight saving time.

The vote ended more than a decade of effort and debate on the issue of daylight saving time in Tennessee. In that time sentiment reached such a pitch that fast time was actually outlawed in the State by the legislature, an act which was upheld by the State supreme court.

Despite the positive efforts of a number of groups, Tennessee remained steadfast in its observance of standard time even though many nearby or neighboring States annually switched to fast time. This despite its adverse effect on the commercial interest of the State.

In Tennessee, the Nashville Area Chamber of Commerce, the Nashville Banner, and the Nashville Tennessean, as well as our broadcasters, while not initially successful in their efforts in behalf of so-called "fast" time, were instrumental in keeping the issue before the public.

It remained for the Congress, however, to provide the instrument with which to unravel the annual time scramble.

It was my privilege to sponsor legislation in the 88th Congress calling for mandatory observance of daylight saving time. That bill, later modified, was finally adopted during the second session of the 89th Congress.

The legislation was founded on the realization that uniformity of time observance was essential in this era of rapid and mass communication. Time observance today must be in accord with the requirement of our society. These requirements strongly pointed up the need for uniformity.

Nonetheless, in attempting to provide legislative incentive for time uniformity, the Congress was mindful of the responsibility and prerogative of the States. The legislation thus provided an escape clause by which a State might exempt itself, provided the exemption was applied to the entire State and its political subdivisions.

Such an exemption was sought in the Tennessee General Assembly last week. It was voted down.

Tennessee thereby became the 38th State to cast its vote for uniformity. Only two States, Hawaii and Michigan,

have opted for standard time and the Michigan legislative decision, I am told, may go to referendum.

Tennessee's action was particularly important in the Southeast because the Volunteer State had become a key State in balance. Georgia had deferred final action on the question until Tennessee made its decision. The Tennessee vote may well swing the balance in South Carolina and Kentucky, too. Kentucky's Legislature does not meet this year but there is considerable interest in the question and there has been some talk of a special session.

This is not a personal victory for any individual or group. It is a victory for reasonableness and understanding. Nonetheless, in Tennessee, special credit is due organizations such as the Nashville Area Chamber of Commerce, the Nashville Banner, and the Nashville Tennessean, as well as our broadcasters who effectively gave of their time, talent, and good offices in the effort for uniformity. Through the selfless efforts of these organizations Tennessee has contributed significantly to national time uniformity which, hopefully, will end the annual time scramble.

The Tennessee case for uniformity was succinctly summarized in an editorial published by the Nashville Banner on Wednesday, March 29, 1967 entitled: "DST for Tennessee: Senate Vote Registered Majority Preference." I include this editorial in the body of the RECORD at this point:

DST FOR TENNESSEE—SENATE VOTE REGISTERED MAJORITY PREFERENCE

In rejecting yesterday the move to exempt Tennessee from the national Uniform Time Act, the State Senate registered the substantial majority preference of constituents. The margin reflected that—with no room left for argument to the contrary. The roll call vote was decisive: 20 to 12.

Neither the decision nor the weight of it, thus emphatically expressed, occasioned surprise. For public opinion was clear from the outset; in mounting objection to a backward step.

The reason for that was equally clear: Tennessee wanted no more rounds of disconcerting, capricious time confusion. It preferred to be in step with the rest of the nation—with that preponderant list of the states, including neighbors, embracing uniformity.

That makes sense, and to it the majority judgment subscribes—abhorring such hardships as piecemeal Daylight Saving Time invariably has imposed; with clocks at variance with each other in the same time zone.

The Uniform Time Act—one of its authors, the Fifth District's own Rep. Richard Fulton—was expertly drawn and enacted last year to prevent intrastate, interstate, and inter-regional confusion. Nationwide in application, it stipulates the starting and terminal dates of Daylight Saving Time.

Few states have chosen to be the exceptions to it; for most have recognized the advantages of uniformity.

The Tennessee Senate did not vote on this issue without consulting the facts in the case—and weighing them carefully in the public interest scales.

It was the right decision, consonant to that public interest.

Tennessee can adjust readily to Daylight Saving Time on the statewide, nationwide basis—as it could not possibly have adjusted to the chaos of a crazy quilt time pattern.

PHILANTHROPIC WORK OF BAIRD FOUNDATION

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. FULTON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. FULTON of Tennessee. Mr. Speaker, there has been much discussion and some criticism on the role the Federal Government plays in helping our citizens. It is always gratifying when other segments of our society meet their responsibilities in giving help when it is needed. One such organization which is performing an outstanding service in my State of Tennessee, and in my home district, is the Baird Foundation, set up through the efforts of Mr. David G. Baird, of New York City.

The medical complex of the Vanderbilt University School of Medicine has already received \$100,000 to further the building of a new clinical and research unit, and recently the Baird Foundation pledged, in addition, approximately \$400,000.

The outstanding philanthropic work of the Baird Foundation is also evident in the eastern section of my State, where the Baird Foundation, working through the American Sunday School Union, supports all or part operation of four visiting nurses. In addition, through 10 of the American Sunday School Union missionaries, they have given approximately \$500 a month to be used for clothing, food, and other necessities for youngsters in need. The Baird Foundation is presently financing the construction of the Harold Baird Training Center, in memory of Mr. Baird's brother, Harold, and this center will give still further assistance to these youngsters.

It is indeed gratifying when such an organization, through its resources and facilities, accepts responsibility to those in need. I feel such efforts deserve not only our gratitude but our recognition.

A SENSIBLE ALTERNATIVE TO TAX SHARING

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. O'HARA] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. O'HARA of Michigan. Mr. Speaker, I am today introducing a bill offering an approach to the revenue crisis confronting State and local governments that I regard as more predictable in its effects than the widely publicized tax-sharing proposals and with little of their potential for inhibiting the achievement of important national goals.

My bill would amend the Internal Revenue Code of 1954 to permit individual taxpayers a credit against their Federal income tax bill for State and local income

taxes they may pay each year up to a maximum of 5 percent of their total annual tax debt to Uncle Sam. Present law allows a deduction of State and local taxes but, by this arrangement, the majority of taxpayers really get credit for only about 24 cents of every dollar they are asked to pay in State and local taxes.

If my bill were approved, every dollar an individual paid in State and local income taxes would reduce his Federal tax bill by a full dollar—up to the 5-percent ceiling.

The effect of the bill would be this: It would require the Federal Government to share not its revenues, as such, but its tax base with State and local governments, which need new sources of revenue. It would provide State and local governments with a strong incentive for adding the income tax to their revenue-raising tools or to use it more effectively if they already have it, without placing an added burden on individual taxpayers already overburdened with the regressive property and sales taxes upon which these units of government have relied so heavily.

Mr. Speaker, the ideal moment for this legislation was in 1964 when it could have been enacted as part of the tax cut which played such an important role in spurring one of the longest periods of uninterrupted economic prosperity in our history. Unfortunately, because of the budgetary situation in which we find ourselves today, largely because of the war in Vietnam, this may not be the most propitious time for enactment of any of the revenue-sharing proposals being put before us in this session. But, if the pressure from the State capitols for some kind of revenue-sharing legislation is as intense as we are told it is by our Republican colleagues and if some kind of bill must be passed during this session, I think it should be the bill I am introducing today. This bill, Mr. Speaker, is identical in all essential respects to legislation I sponsored in the 87th, 88th, and 89th Congresses.

The Advisory Commission on Intergovernmental Relations, in its October 1965 study report on Federal-State coordination of personal income taxes, concluded that the Federal Government's intensive use of the income tax, especially since 1940, has been the single most important deterrent to its expanded use by the States. I quote from the report:

We believe it to be significant that not a single State adopted a personal income tax between 1937 and 1960, when 12 States adopted general sales taxes. Although 3 new State income taxes have been added since 1960, approximately 95 per cent of the nearly \$4 billion currently collected from this source goes to jurisdictions that enacted it before 1938—over a quarter century ago. In contrast, only 68 per cent of general sales tax revenues collected by States adopted this tax prior to 1938.

Only nine States have an income tax from which more than 2 percent of Federal adjusted gross income is collected, according to a more recent analysis by John Shannon, Assistant Director of the Advisory Commission.

During fiscal year 1965, receipts from individual income taxes constituted only

14.2 percent of all State tax revenues or \$3.7 billion out of \$26.1 billion.

My bill would, in effect, open up a new revenue source to State and local governments by removing the deterrent effect of Federal income tax policy. It reflects recognition of the fact that reform of State and local tax structures would be the most rational solution to the financial problems these units of government are facing.

The Republican answer to these problems is a system of sharing with the States a flat percentage of Federal tax revenues with few or no strings attached. This is a proposal, Mr. Speaker, which I believe could have dangerous consequences.

First, we would risk creating a system which could foster irresponsible expenditure of Federal revenues by State Governors who would in no way be subject to the disciplines dictated by having to raise their own revenues. Making the National Government tax collector for the State governments would tear apart the vital tie between responsibility for the raising of revenues and the responsibility for spending.

Second, however remote the possibility, sharing Federal revenues without strings could very well have the effect, in the long run, of rendering all activities of State and local governments subject to the much maligned Federal guidelines, rather than just the narrow range of activities subject to them under the present system of grants for specific programs. The rationale might be that all State and local programs would be benefiting from the unconditional grants.

Our Republican colleagues have apparently failed to recognize these dangers, Mr. Speaker, because the real villain in their eyes appears to be not the weak and inequitable tax structure of State and local governments—but rather the Federal grants-in-aid system. In their haste to strike a blow at this "villain," which they apparently detect in some vague conspiracy to undermine the authority of State governments, and, at the same time, give the appearance of offering a constructive alternative proposal, the Republican leaders have failed to come to grips with the real task of curing the fiscal anemia of State and local governments. Their proposal is little more than a contrived and unrealistic answer to a difficult problem.

Although the present system of categorical Federal grants is an admittedly imperfect tool in need of much improvement, it may be one of the best tools available to us for accomplishing important national goals within the context of the Federal-State relationship.

We should, therefore, consider with great caution any proposals that look toward eventual displacement of this system by one with the dangerous potential of that contemplated by the tax-sharing advocates.

In constructing what Prof. R. A. Musgrave has called a "responsible system of fiscal federalism," we must delicately chart a course that will both create a fiscal environment favorable to responsible, efficient and progressive State and local governments as well as permit the accomplishment of important national goals.

A basic tenet of such a system, Professor Musgrave wrote in a recent article, is:

That there should be a link between responsibility to tax and the responsibility to spend. While differentials in fiscal capacity and need make transfers necessary, the form of these transfers should be such as to preserve this link in some measure. There should be some assurance that funds, which originate at the national level, will be spent according to national priorities. Lacking this relationship, the revenue transfer may well result in Balkanization of our expenditure structure at the very time when a comprehensive national approach to public service programs is most needed.

I would like to say a word, Mr. Speaker, about why it is desirable to encourage wider and more effective use of the income tax by State and local governments.

The reason, very simply, is that the income tax, according to most of the experts, does a better job in most respects than the consumer and property taxes relied on by State and local tax structures.

First, it is a more efficient, more productive tax. As John Shannon of the Advisory Commission on Intergovernmental Relations has said:

It has a greater capability for producing an accelerating amount of revenue in response to rising economic activity than any other tax now in use. We estimate that without any change in tax rates or base State individual income tax, collections automatically increase by about 16 percent for every 10 percent increase in gross national product. In sharp contrast, general retail sales tax collections and local property tax receipts increase only in proportion to GNP. The greater "elasticity" of the personal income tax takes on critical importance because the States' (and their local governments') overriding fiscal problem is their need for additional revenue. Since World War II, State and local expenditures have been growing at the rate of about 8 percent per year; in contrast, the annual GNP growth rate has been about 5 percent.

Second, the income tax is a more just tax than those which now dominate State and local tax structures. Quoting John Shannon, once more, from a speech delivered last fall before the National Tax Association Conference:

The income tax stands out as the most effective way of exempting the very poor from some of the burden of state and local taxation. Moreover, the use of this tax permits a larger share of the tax burden to be adjusted to size of the family through an exemption system, a criterion typically disregarded by the property tax and violated by the sales tax. The economic ability of the income tax to treat individuals and households with equal income equally also grows in importance as the margin between people's income and their consumer expenditures widens and as the family homestead becomes less and less indicative of taxpayer ability.

While a State or local income tax obviously could not replace consumer and property taxes, it could level the regressive slant of present tax structures and possibly even bring about a progressive slant.

By encouraging adoption of the income tax by State and local governments, my bill recognizes the plight of the average taxpayer who is already heavily overburdened with high property

taxes on his modest home and is paying a 2- or 3-percent sales tax on nearly everything he buys, including many necessities that he must have in as great a quantity as the rich man in order to live. With far less ability to do so, he may pay, in absolute terms, as much toward the support of State and local governments as his well-to-do neighbor at the other end of the street.

This is not fair. But, as the job State and local governments must do continues to grow, it will become worse and worse. A tax credit bill would provide a source of relief—some insurance that the burden on the average taxpayer would be less likely to become heavier in the years ahead.

I would like to answer one criticism levied at the tax credit as an approach to the revenue crisis of State governments and that is that it fails to provide for equalization between rich and poor States. It would give more aid to relatively high income urbanized States thus intensifying interstate fiscal disparities, the critics argue. But, I do not consider this a weakness because it is our great metropolitan areas that need financial help the most. The greatest public expenditure demands are being generated by the desperate problems of the central cities.

The Republican tax-sharing proposals ignore this fact by building in an "equalizer" in the form of extra help for the 17 States with the lowest personal income per capita, which are primarily rural States.

It is obvious that what system serves best as an equalizer is determined by how needs are defined. And the Republican leaders have decided that the needs of the beleaguered big cities of our country are of secondary concern, which is no surprise since this has been their traditional stance.

Probably the best vehicle for equalization, in the end, is the Federal grants-in-aid system. Tax-base sharing of the kind I am proposing should not be expected to carry this load. Let it continue to be carried by the grants programs.

Mr. Speaker, I include the text of the bill I am introducing today as a part of the RECORD at this point:

H.R. 7855

A bill to amend the Internal Revenue Code of 1954 to provide a credit against 5 percent of the Federal income tax for State and local income taxes paid by an individual during the taxable year

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by redesignating section 40 as section 41 and by inserting after section 39 the following new section:

"SEC. 40. STATE AND LOCAL INCOME TAXES.

"(a) IN GENERAL.—There shall be allowed to an individual, as a credit against the tax imposed by this subtitle for the taxable year, an amount equal to the total of the State and local income taxes paid during such year.

"(b) LIMITATION ON AMOUNT OF CREDIT.—The credit allowed by subsection (a) shall not exceed 5 percent of the amount of tax imposed by this chapter for the taxable year,

reduced by the sum of the credits allowed by this part (other than this section and sections 31 and 32 (1)).

"(c) NO CREDIT ALLOWED FOR AMOUNTS CLAIMED AS DEDUCTION.—No credit shall be allowed under this section for any amount which is (or has been) taken into account for purposes of a deduction allowed the taxpayer under section 164."

(b) The table of sections for part IV of subchapter A of chapter 1 of such Code is amended by striking out

"Sec. 40. Overpayments of tax."

and inserting in lieu thereof

"Sec. 40. State and local income taxes."

"Sec. 41. Overpayments of tax."

SEC. 2. Section 164 of the Internal Revenue Code of 1954 (relating to deduction for taxes) is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

"(g) NO DEDUCTION ALLOWED FOR STATE OR LOCAL INCOME TAXES CLAIMED AS CREDIT.—No deduction shall be allowed under this section for any State or local income taxes which are taken into account for purposes of a credit allowed the taxpayer for the taxable year under section 40; but if the amount of the State or local taxes paid during the taxable year by a taxpayer claiming such a credit exceeds the maximum credit allowable under the limitation contained in section 40(b), the excess may be allowed (to the extent otherwise allowable) as a deduction under this section."

SEC. 3. The amendments made by this Act shall apply only with respect to taxable years beginning after December 31, 1967.

I also commend to the attention of my colleagues two editorials which have appeared in recent editions of the Washington Post giving support to the approach I am advocating in this bill and also an editorial published in the March 5, 1967, edition of the New York Times:

[From the Washington (D.C.) Post, Jan. 29, 1967]

NEW KIND OF TAX SHARING

So much is being said about tax sharing these days that the discussion tends to center not on "whether," but on "how." Advocates of the various plans assume that Congress will do something because the states are urgently in need of more revenue and because the income tax is the fairest and best method yet devised of raising revenue. Both of these points do indeed seem to be irrefutable, but it does not necessarily follow that the states should look to Washington hereafter for collection of a large share of their revenue.

The objective to be sought is more revenue for the states to be raised with less reliance upon regressive property and sales taxes. But there is no special virtue in having the new flow of income-tax revenue routed through Federal channels. Probably the basic principle of all taxation is that the taxes should be laid by the governments which spend the money so that the ultimate control will rest in the people who choose the governments.

Some exceptions to this principle may be made in cases where the Federal Government wishes to aid special functions, such as education or highway building and to even the disparities in tax-paying ability. This is the purpose of Federal grants. It would be a very different matter for Congress to levy a national tax to be turned over to the states for miscellaneous purposes with no strings attached.

Many of the tax-sharing plans that are being offered do have strings attached, and these are open to the grave objection of shifting control over local functions to the Federal bureaucracy. And if bureaucratic

controls were to be relaxed under such a system, there would be danger of inviting careless spending by the broad separation of the taxing and spending powers.

Instead of having the increased tax funds flow to Washington and back to state capitals, therefore, it would be better for the states to collect their own income taxes. The tax sharers reply that about one third of the states have no income taxes. In some other states the income taxes are quite inadequate or are not properly graduated on the basis of ability to pay. But these weaknesses can be corrected without a wholesale transfer of responsibility for state taxes to Congress.

We suggest that the best approach is to give the states an incentive to the enactment of sound and progressive income taxes of their own. This could be accomplished by an act of Congress turning over to each state 1 per cent of the receipts from the Federal income tax in its area on condition that the state enact an income tax of its own which would bear on each individual and corporation in the state as a fixed percentage of the Federal tax.

Each state would be free to collect 1, 5 or 10 per cent (or more if necessary) of the Federal tax from its own residents. The arrangement would have the enormous advantage of abolishing complicated state income-tax returns. The taxpayer could make his state return by simply taking the appropriate percentage of his Federal tax. Many millions of hours of labor would be saved and vast quantities of paper.

In addition the states would have new sources of revenue equitably distributed among their own taxpayers. Taxing and spending authority would remain largely in the same hands. And since the incentive would doubtless draw all the states into the plan, the present pull of nonincome-tax states upon people and industry would be minimized. If we are to have tax sharing, these major advantages should not be overlooked.

[From the Washington (D.C.) Post, Feb. 17, 1967]

TAX-SHARING MIRAGE

The rising demand for revenue sharing is in large measure a protest against Federal bureaucracy. Sponsors of the numerous revenue-sharing plans that are blossoming on Capitol Hill think the states can do a better job of channeling funds into education, welfare, public works and so forth than the multiplicity of Federal agencies handing out grants-in-aid. Representative Laird, chairman of the House Republican Conference, doubtless spoke for many of his colleagues the other day when he described his own tax-sharing bill as a move for "a strengthened and better balanced Federal system."

There is much sympathy with this view on the spending side. Congress is now distributing about \$14 billion a year to the states and local governments, and about half of this trickles through 190 different programs in relatively small sums which may make little impression on grave social and educational problems at the local community level. States complain that local priorities are often ignored because Federal funds are allocated on a matching basis, and local governments tend to favor the projects for which help is available to the exclusion of more pressing needs.

What is being widely recommended, therefore, is a shift from grants-in-aid under Federal supervision to an allocation of Federal revenues to the states with no strings attached. The Laird bill, for example, would turn over to the states a straight 5 per cent of the Federal personal income taxes to be distributed on the basis of population as modified by a "tax-effort ratio" provision and an "equalization" formula. In effect Mr. Laird is saying that the states

are best able to solve their own problems; that all they lack is revenue, and that they cannot now get the essential revenue because they can tap only the dregs left over from confiscatory Federal taxes.

Here is the great mirage that is luring on the revenue-sharing safari. Mr. Laird and his colleagues seem to assume that in some mysterious way taxes which would be unthinkable for the states can be painlessly exacted by Federal authority. Actually, of course, the states have as much right to levy income taxes as does Congress, and \$5 billion or \$15 billion collected by the states for education, policing and so forth would not be more onerous than the same amount collected by the Treasury if the tax bases were the same. Grants-in-aid could then be used for evening benefits among the states.

The critical weakness of all the revenue-sharing schemes we have seen on the Hill is their removal from the states of their revenue-raising responsibilities. This would be a crucial blow to the Federal system. It would write into the law an utterly unsound principle of separating the taxing and spending powers.

Mr. Laird has provided in his bill a highly commendable Federal tax credit for all local taxes paid up to 40 per cent. No doubt that would encourage the states to adjust many of their obsolete revenue laws and probably to draw more heavily upon income taxes. But we think Congress can devise a much better incentive for the states to modernize their revenue laws. What is needed is not the pouring out of more Federal funds, with no strings attached, but congressional recognition that the states are entitled to a fair share of the income-tax field and an incentive that will help them to take advantage of it.

[From the New York Times, Mar. 5, 1967]

EDUCATION IN TAX SHARING

A round of hearings by the Senate Subcommittee on Intergovernmental Relations has amply demonstrated that the sharing of Federal tax revenues is not the simple matter many of its champions suggested it would be.

Politicians are beguiled by the notion that the taxing power of the Federal Government can ease the financial bind afflicting states and municipalities. But they have discovered that there can be no fiscal dividends while the nation is fighting a war and they are at odds over how much should be distributed and who should get it after the return of peace. Governors insist that when there are funds to share they should get them, while Mayors insist that funds must be channeled directly to the cities.

This confusion must not deter an objective study of tax sharing. As Walter W. Heller has pointed out, there is a vital need to restore balance to the Federal-state financial relationship. Now, he has observed, "economic growth and a powerful tax system . . . generate new revenues faster than they generate new demands on the Federal purse. But at the state-local level the situation is reversed. Under the whiplash of prosperity, responsibilities are outstripping revenues."

Tax sharing is also desirable because of the problems and pressures that have accompanied the mushrooming growth of Federal grants-in-aid. Because many of these projects require the states to match Federal payments, their budgets have been shaped—and distorted—by what Washington thinks should be done rather than by their own assessments of need. And because other projects bypass state or local governments altogether, there is a danger that the states will become dominated by the Federal fiscal authority.

Congress will have to choose between two different ways of removing this threat and redressing the Federal-state balance. One way is the Heller plan, which calls for the Federal Government to send a fixed portion

of the individual tax revenues collected by the Treasury back to the states. Originally, the Heller plan contemplated unconditional grants to the states. But fears that funds might be wasted have led its advocates to propose that money be dispersed in block grants tagged for specific purposes, such as education. Every state would get a share of each grant, but the plan could be altered to give relatively bigger portions of funds to the poorer states.

In contrast, the other sharing scheme for providing enlarged Federal tax credits on payments of state income taxes would benefit only those states levying an income tax. It would also mean, of course, that the states would be getting back funds in strict proportion to what they pay in.

Either system could be designed to provide funds directly to the cities as well as the states, but there are significant differences between the two. The tax credit approach appears superior. It would create pressure for universal adoption of state income taxes, which would automatically strengthen the fiscal position of the states. Even more important, it would establish a direct link between spending and taxing. Under the tax credit plan, states initiating new spending programs would still have to finance them; but under the block grant plan, the Federal Government would pay the bill, which means it would face constant pressure to step up its dividends to the states.

Whatever Congress ultimately decides, tax sharing deserves thorough study rather than political deal making. Congress would be aided by the establishment of a nonpartisan commission to explore the advantages—and disadvantages—of each approach. With the Vietnam war going on, there is still time to set up such a commission, which has been proposed by Senator Gaylord Nelson of Wisconsin and others. Congress would do well to pass such a bill and get some education on tax sharing before committing itself on future fiscal dividends.

STATEMENT OF BLINDED VETERANS ASSOCIATION

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. TEAGUE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. TEAGUE of Texas. Mr. Speaker, last week the president of the Blinded Veterans Association, Mr. James F. C. Hyde, Jr., presented a very helpful and thoughtful message to the Committee on Veterans' Affairs, and under leave to extend my remarks I include the text of Mr. Hyde's remarks:

The Blinded Veterans Association was founded in 1945 by servicemen who were blinded during World War II. Since then, its membership has steadily grown and now includes veterans whose blindness resulted from service in World Wars I and II, the Korean Conflict, in Vietnam, and during peacetime service.

Since its inception, the principal purpose of the Blinded Veterans Association has been to assist the nation's blinded veterans to effectively cope with and overcome the severely handicapping effects of blindness, with the ultimate goal being satisfying gainful employment commensurate with individual capability. To help each blinded veteran achieve this goal, the Blinded Veterans Association has worked in a number of ways. It has striven to assure the maintenance of high quality, comprehensive rehabilitation

services by the Veterans' Administration. It has successfully sought Congressional action to meet the changing needs and conditions of blinded veterans. It has seen to it that information about available services is provided to the blinded veteran and his family. It has motivated and encouraged the blinded veteran to desire rehabilitation. And through its Headquarters' staff, field workers, and regional group service officers, it has graphically demonstrated to the blinded veteran, his family, and prospective employers that the seemingly overwhelming handicaps imposed by blindness can indeed be positively dealt with and successfully overcome.

All services of the Blinded Veterans Association, whether provided on an individualized basis through field workers or collectively through its spokesman function, are freely provided to all blinded veterans regardless of their membership status.

As perhaps the smallest of the national veterans' groups—although being one of the largest in the ratio of members to eligible members—the Blinded Veterans Association has been a dynamic force behind the tremendous advances that have been made during the past twenty years in the fields of veterans' affairs and blind rehabilitation; and it has never hesitated to initiate and support those causes which would contribute to the restoration of the blinded veteran's place as a contributing member of society.

At the same time, as I am sure you know, the Blinded Veterans Association has never been a "gimme" organization and because of this, it is highly regarded by other veterans' organizations, by public and private agencies in the field of work for the blind, by the Veterans' Administration and other agencies of the Federal Government, and by the Congress. We are particularly mindful and appreciative of the regard that you and the members and staff of the Committee on Veterans' Affairs have shown toward the Blinded Veterans Association through the years. On behalf of the Association, I wish at this time to pledge continuation of the standards we have set for ourselves and to assure the Committee that the BVA's expressed interest in pertinent legislation will continue to be realistic, well thought-out, and justified. I sincerely believe that the present legislative program of the Blinded Veterans Association meets these criteria.

Of primary importance to the members of the Blinded Veterans Association at this time is passage of H.R. 7118, a bill introduced by the distinguished Chairman of this Committee, which would amend Chapter 13, Title 38 of the U.S. Code to provide survivorship protection in the form of eligibility for Dependency and Indemnity Compensation for the widows and dependent children of deceased, permanently and totally disabled veterans, regardless of the cause of death. We feel that this would fill a very real gap in the protection that should be afforded the survivors of veterans who have been severely disadvantaged by reason of service-connected injuries or disease. In our opinion, such protection can be specifically justified because (1) the ability of these men to build up an estate for their survivors has been substantially impaired, if not destroyed; (2) their disability prevents their wives from obtaining employment to augment the family income; (3) their insurability is generally substantially decreased; and (4) there is precedent for equating the dependents of totally and permanently disabled veterans with the survivors of deceased veterans—most notably, in the War Orphans Act.

I think that the Committee will be extremely interested in the fact that generally, for reasons like these, Canada has already taken this important step in protecting the survivors of its seriously disabled veterans.

We earnestly request the Committee on Veterans' Affairs to act favorably on this important measure.

The Blinded Veterans Association is seriously concerned about the need for an increase in disability compensation this year, particularly in view of the substantial rise in the cost of living since the last increase. The Association fully supports the bill the Chairman has introduced for this purpose, H.R. 1386. We think the increases are fully justified now.

Increases in Social Security benefits, in pensions for veterans with non-service connected disabilities, and for retired Government personnel, have recently been recommended or approved. Veterans disabled in the service of their country and also living on fixed rates of compensation are certainly entitled to similar consideration.

The Blinded Veterans Association welcomed President Johnson's message to the Congress of January 31, 1967, titled *America's Servicemen and Veterans*. We strongly feel that veterans of the Vietnam Conflict are entitled to and should be provided the full range of benefits accorded veterans of World War II and the Korean Conflict, and we congratulate the Committee on its prompt action in reporting out a bill for this purpose.

We are particularly aware of the need to extend the \$1,600 automobile allowance grant to veterans with special disabilities; however we believe that this benefit should be extended to all those veterans who were blinded, paralyzed, or suffered the loss of limbs from service-connected causes after January 31, 1955.

The Blinded Veterans Association is particularly proud of the role it played in the establishment of the blind rehabilitation center at the Veterans' Administration Hospital, Hines, Illinois, in May, 1948. The methods developed during World War II in teaching blind and visually impaired veterans the skills and techniques of basic and advanced orientation and mobility, and other rehabilitation skills, were thus preserved and made available to those veterans who were blinded as a result of the Korean Conflict, peacetime service, Vietnam, and subsequent blindness due to the deterioration of service-incurred eye injuries. The Association is also pleased that it was able to make a contribution toward the establishment of two additional blind rehabilitation centers, one to be opened shortly in Palo Alto, California, and a second to be established in New Haven, Connecticut. We are counting on the Veterans' Administration to see that these centers are opened on schedule.

In conclusion, Mr. Chairman, I wish to thank you and the members of the Committee for your expressed interest in the legislative program of the Blinded Veterans Association and to once again commend you and your associates for your outstanding record of achievement and dedicated service to the causes to which the Committee on Veterans' Affairs and the Blinded Veterans Association are both equally dedicated.

SOIL AND WATER CONSERVATION

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. BLANTON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BLANTON. Mr. Speaker, State Senator John S. Wilder, of Somerville, Tenn., for many years has been an outstanding leader in his community and the State of Tennessee. Among his many duties, Senator Wilder is vice president of the National Association of Soil and Water Conservation Districts—NACD.

He recently appeared before the House Subcommittee on Appropriations for the Department of the Interior and Related Agencies and his statement is an excellent one dealing with a problem that is important to us all. I would like to include said statement in the CONGRESSIONAL RECORD in order that my colleagues may consider same.

The statement follows:

STATEMENT BY JOHN S. WILDER, SOMERVILLE, TENN.

I am John S. Wilder of Somerville, Tennessee, vice president of the National Association of Soil and Water Conservation Districts (NACD). The Association represents approximately 3,000 local Soil and Water Conservation Districts in all 50 states, Puerto Rico, and the Virgin Islands. Our purposes are the conservation, orderly development, and wise use of the Nation's land, water, timber, and related natural resources through the exercise of local initiative and the operation of local programs in cooperation with landowners as well as federal and state resource agencies.

Close to 18,000 men and women serve without pay as the governing officials of these local Districts. Approximately 2,000,000 landowners are cooperators in the Districts' programs.

Throughout the country, District officials and District cooperators have a continuing and active interest in the condition, the use, and the improvement of public lands managed by the federal government. In literally thousands of situations, the public lands are intermingled with—or are adjacent to—lands in private ownership. The condition and the management of the public lands have important effects on the adjoining private lands. As a general statement, they are physically inter-related. Very often, they are economically related.

We appreciate this opportunity to present our views on appropriation items for fiscal year 1968 for certain resource agencies of the Department of the Interior as well as the Forest Service of the Department of Agriculture.

The level of government investment in programs for the protection and development of natural resources is a matter of deep and continuing interest to the members of our Association. This is true with respect to programs affecting public lands, as it is for programs focused on privately-owned lands.

Both categories of ownership and the resources involved are experiencing steadily greater pressures, either to meet the rising demands for production of food, fiber, and forage; or the similarly increasing demands for various uses, such as recreation, water supply, and wildlife preservation.

In the face of these pressures, the resource management job is becoming more complex and more expensive. Since these resources are the raw materials of our economy and the very essence of our environment, we have no alternative to doing whatever is necessary to keep them in good supply and in good condition.

The NACD recognizes, however, that all the desirable work cannot be undertaken at once. We understand the need to be selective and to set some kind of priorities. At the same time we are aware that effective resource work can rarely be accomplished swiftly, and it is important to anticipate oncoming requirements that could become critical.

FOREST SERVICE

The oncoming requirements for wood products are a case in point. Projections by the Forest Service indicate the demand for forest products will double by the end of the century. Since the increased production cannot be obtained by substantial

additions to the acreage of commercial forest lands, most of it will have to come from better protection, better management, and improved yield rates from existing forests.

An important share of this future wood supply will be harvested from relatively small timber tracts which are parts of farms, ranches, and similar properties.

For this reason, the state and private forestry cooperation items in the Forest Service budget are of particular interest to Soil and Water Conservation Districts. These items cover programs which directly assist District cooperators with fire protection, woodland insect and disease protection, reasonably-priced forest and shelterbelt planting stock, and technical forestry assistance in the management and marketing of timber.

Most of the 4,000,000 private woodland owners of the United States are in Conservation Districts. Most all of these owners need the fire protection, low-cost tree seedlings, and technical forestry services offered through these cooperative programs. They are essential to development of the multiple-use capabilities of the forests.

The cooperative-state-federal forestry programs are carried out largely through the State Foresters. The State Foresters and their men on the ground work closely with Conservation Districts and with District cooperators in most parts of the country.

More than a third of all the Conservation Districts of the nation have written cooperative agreements with state forestry agencies and another third, at least, are cooperating regularly without written agreements.

We are pleased by this trend. It is evidence of the increasing attention to farm forestry by individual Districts and private woodland owners.

Districts value highly the assistance they are getting from state forestry agencies. Indeed, they have made known their need for more of it.

We want to emphasize our needs for forest fire control. The enlarged use of forests, especially by sportsmen and recreationists, has increased the need for this protective program. It is an essential program, but we have noted with genuine concern that the federal share of the financing has failed to keep pace with the growing program needs. As one result of this, the states have been forced to assume most of the added costs in recent years.

Although a federal fund in the amount of \$20,000,000 annually is authorized for use in the Clarke-McNary Section 2 program, actual federal participation in the effort dropped to an all-time low of 15 percent of the total expenditures in fiscal year 1966. Our information indicates a federal participation that year of \$12,803,000, compared with nearly \$72,250,000 of state and private funds.

The federal appropriation for the Cooperative Fire Control Program for the current fiscal year is essentially the same—\$12,811,000.

Although the financial burdens being assumed by the federal government are enormous, there is clearly a feeling in some states that the federal government's participation in the Cooperative Fire Control Program should be strengthened. Many state fire control officials believe that further large increases in state and private funds are unlikely.

Prospects of a leveling off in program activities would not disturb us so much if it were not for the following facts—

At the beginning of this year, an estimated 526 million acres of state and private forest lands were in need of protection. Of this total, approximately 480 million acres had been placed under organized protection, leaving about 46 million acres unprotected. Moreover, the level of protection was classified as inadequate on approximately 200 million acres of the "protected" base.

The capabilities of forest lands for all their multiple uses—recreation, forage, wildlife,

and special forest products, as well as timber—cannot be fully developed unless protection from fire is assured.

We urge, therefore, an intensification and expansion of the effective fire protection program. Specifically, we wish to associate ourselves with the National Association of State Foresters in requesting an increase of \$3,000,000 for fiscal year 1968 in the Forest Service budget item for Cooperation in Forest Fire Control. This would represent an increase to \$15,811,000 for this item, which is carried in the budget at \$12,811,000.

Our special interest in the preceding item is not intended to reflect any lack of concern about other items in the Forest Service budget. Our Association is sincerely concerned with all aspects of the forestry program.

The National Forests coincide to a major degree with the rural areas having the greatest need for economic improvement and present one of the best opportunities for its accomplishment. In fact, most of the National Forests in the East were established in cutover areas which required substantial investments to restore productivity. The increases for more timber sales, for recreation, fire protection, land exchange work, and forest roads and trails are sorely needed. We support them.

The increases for research items for timber, management of forest watersheds, forest products utilization, resource economics, and recreation are needed to provide facts to the action programs of many public agencies and to private enterprise in the forestry and related resource fields. With the current expansion of forest-based recreation, the relatively new research program of Recreation Research is particularly in need of strengthening.

We hope your Committee will see fit to approve the proposed budget in full for the National Forests and Forest Research programs before you. We believe they could be well supported at a higher level.

BUREAU OF LAND MANAGEMENT

The condition of the public lands administered by the Bureau of Land Management is a matter of continuing concern to Conservation Districts. We are steadily aware that millions of acres of these lands are so directly associated with the management of privately-owned lands—either through lease or permit arrangements, or by the simple fact that they exist side by side—that the success of private operations depends on the quality of the public lands. This means good vegetative cover and the application of essential soil and water conservation measures where needed.

As we have tried to emphasize before, the best evidence is that better vegetative cover and much more intensive use of conservation measures are needed on most of the 177 million acres administered by BLM within the contiguous western states. The Bureau's inventory of conservation needs on the public lands indicates, for example, the need for revegetation on more than 11,700,000 acres, the control of undesirable plants on more than 14,000,000 acres, and the application of other conservation practices on nearly 16,000,000 acres. This is only a partial listing of needs.

It is altogether evident that millions of acres of the reserved lands are deteriorating at a very serious rate. Continuing soil losses on more than 100 million acres, largely the result of depleted plant cover, are inflicting double damage. They are not only reducing the usefulness of an extremely valuable upland resource, but pouring costly deposits of sediment into downstream valleys and reservoirs. The damage to downstream areas includes agriculture, recreation, and the structures built for flood control, water supply, and power.

In the face of this evident damage and very large need, we find it very hard to under-

stand the proposed decrease of \$835,000 in the soil and watershed conservation item for BLM in the 1968 budget.

When this figure is translated to the land, we find that it means a reduction in the application of conservation practices such as contour trenching, pitting, furrowing, and water spreading on 92,000 acres. It would mean 200 fewer miles of protective fences and 55,000 fewer acres receiving revegetation care than are currently scheduled in fiscal year 1967.

In our judgment, this kind of cut-back is insupportable. At a time when spokesmen for the federal government are emphasizing the importance of natural resources, the dangers of water pollution, and the need for attention to our environment and natural beauty—comes a proposal to reduce the very work on the government's own lands. Moreover, it comes at a time when receipts from the disposition of resources are climbing in virtually every category to an estimated total of nearly \$626,000,000.

We believe it is not only good economic sense, but a responsibility of leadership in Congress and in the executive branch to set a good example of resource stewardship. One would be hard put to find a better place to demonstrate this leadership than on the public domain administered by the BLM.

We believe it is extremely important to maintain—and not cut back—the momentum for soil and moisture conservation on public lands.

We urge the committee to take a more constructive step than that proposed by the budget. Instead of a reduction of \$835,000 for this important work, as the budget proposes, we believe the committee should recommend an increase to bring this item to \$16,000,000. This would be a rise of \$1,093,000 over the sum appropriated for soil and watershed conservation for the current fiscal year. The increase is amply justified, in our judgment, by the formidable backlog of work built up over decades of inattention and by the substantial benefits that follow the installation of essential conservation measures.

BUREAU OF SPORT FISHERIES AND WILDLIFE

The national wildlife refuge system, containing approximately 30 million acres, is dedicated primarily to the benefit of wildlife and its habitat. In addition, the refuge units are managed to allow use by the public, insofar as this is compatible with the basic purposes.

At the time these refuge lands are acquired, a considerable acreage is marked by conditions of deteriorated soil, water, and vegetation. The Bureau undertakes to correct these conditions in order to obtain efficient management and maximum production. The most severely eroding areas get first attention, along with those areas where delay in treatment would accelerate costs.

Less than half of the needed conservation work has been completed on Bureau lands and the annual rate of accomplishment is discouraging. The budget proposes an appropriation of \$713,000 for the soil and moisture conservation item for the coming fiscal year—an amount essentially the same as for the current fiscal year.

For the benefit of the Bureau's primary mission, as well as for the benefit of the millions of Americans who visit these unique areas each year, we hope the committee will give serious consideration to an increase, however moderate, in this item.

OTHER USDI AGENCIES

Our association is well aware of the extraordinary costs the country is now carrying because of the military operations in Southeast Asia. We recognize that this places limitations on what can be done during the coming year in many important areas of resource management—and we have

stressed in our statement only those items we consider to be of exceptional urgency.

In addition, however, we wish to record our support for the budget proposals pertaining to the soil and moisture conservation items of the Bureau of Indian Affairs and the Bureau of Reclamation, as well as the forestry and fire control items for the National Park Service and the Bureau of Indian Affairs.

WE URGENTLY NEED A 5-YEAR POPULATION CENSUS

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the gentleman from Montana [Mr. OLSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. OLSEN. Mr. Speaker, I appear before you and this great body this afternoon to support our colleague, the Honorable WILLIAM J. GREEN of Pennsylvania, in legislation he has introduced. The bill is H.R. 7659. It provides for a mid-decade census of population, unemployment, and housing in the year 1975 and every 10 years thereafter. In other words, the bill provides for a 5-year census of our population.

It is now almost 3 years ago that I addressed the House pointing out that we badly need a national census of this kind. Quite understandably in the 89th Congress we were concerned with other priority legislation and therefore could not act on a 5-year census bill. But, in the legislation we passed, we intensified the need. The programs we initiated can only be implemented and pursued in the future through the use of adequate statistics. And, ten years between population censuses is entirely too long to wait.

I am glad to say that a number of Members of the House have joined the gentleman from Pennsylvania [Mr. GREEN], in introducing 5-year census bills also. They are Mr. FUQUA, H.R. 593, and Mr. POOL, H.R. 1087, who introduced earlier versions; and Mr. NIX, H.R. 7661; Mr. UDALL, H.R. 7662; Mr. BRASCO, H.R. 7663; Mr. PERKINS, H.R. 7664; Mr. BURTON, H.R. 7665; and I, H.R. 7660, who introduced the administration's draft. I am glad to note that the administration is in favor of a 5-year census.

Mr. Speaker, there are many needs for 5-year census statistics—the planning of the private industry of our country and of Federal, State, and local governments; more up-to-date statistics for our programs of health, education, welfare, and poverty, housing, and transportation; and statistics to help cope with the problems of our cities. But, in conclusion, I want to emphasize that the greatest need is for small area statistics—statistics for counties, cities, metropolitan areas, census tracts, blocks, and other subdivisions closest to each citizen of the United States and closest to each of us here.

I am hopeful when this important legislation comes before us that we will act favorably on it.

ADDRESS OF POSTMASTER GENERAL LAWRENCE F. O'BRIEN AT DEMOCRATIC NATIONAL COMMITTEE LUNCHEON, FRIDAY, MARCH 31, 1967

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. BOLAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BOLAND. Mr. Speaker, Postmaster General Lawrence F. O'Brien addressed the Democratic National Committee luncheon for State chairmen and vice chairmen Friday noon, March 31, at the Washington Hilton Hotel. I include Postmaster General O'Brien's remarks with mine at this point in the RECORD:

REMARKS BY POSTMASTER GENERAL LAWRENCE F. O'BRIEN

I am very pleased that my good friend John Bailey asked me to meet with you today.

I am particularly pleased—because I know from experience—that when it comes to the creation of effective political machinery—nothing is more important than the leadership of our State organizations.

You are builders of the foundation—for a successful party—and successful campaign.

The other day I read of an interesting group . . . called the "Procrastinator's Club."

It's a humorous group that specializes in fighting for lost causes.

For example, they like to picket, carrying signs such as, "Fifty-Four Forty or Fight," "Keep Cool With Coolidge," "Prosperity is Around the Corner," "Don't Waste a Nickel on Seward's Folly," "Impeach Chief Justice John Marshall."

It sounds like a lot of fun, but that's about all it is.

A political party that spends its time looking backward, and chewing over lost causes probably isn't having as much fun, and certainly isn't doing its future any good.

All of us could spend time and energy mulling over the events of last October and November, gaging what we did and what we didn't do, and finding fault. Listening to the pundits and failing to review political history.

We could spend the time, but it would be time wasted.

The important consideration is not the past but the future.

What do we do now?

Where are we going?

Are we mastering events, or are we being mastered by events?

I know that this forward look has been the governing strategy here in the Committee.

I can assure you that our National house is in good order.

But I would be less than candid if I did not say I am not so sure about the degree of order in your house.

My observations around the country in the last four months have given me deep concern.

A number of States reflect a disunion in State and local Democratic organizations.

We all recall that Will Rogers once said, "I am not a member of any organized political party."

"I am a Democrat."

That was good for laughs back in 1922—but let's not forget that the disunity that produced laughs back in those days, also produced an unbroken string of 12 years of Republican Presidents, Republican majorities in the 67th, 68th, 69th, 70th, 71st, and

72nd Congresses, and ultimately, such disasters as the great Depression.

Democratic disunity is the germ that produces Republican disease.

If we want to be disease spreaders, that's one thing, but if we want to provide solutions to the problems our nation is facing, and avoid the disasters that are inevitably the result of fighting among ourselves, then we must work together.

You know that John Bally has made some excellent appointments to the Staff of the Committee.

He has fine people, and they are building the blocks of a strong national campaign organization for 1968.

The National Committee is carrying out its responsibility.

In turn you have a two-fold responsibility, first, to build; second, to educate.

Time is the primary requirement to carry out the responsibility of building.

We now have time in abundance and now is the time to use it.

Almost all States and local organizations have no election demands on their resources for well over a year.

That period can be wasted through inaction, or it can be employed to recruit staff, to refine and extend voter registration efforts, to prepare campaign material, to secure the finances you need, to organize in a hard-hitting, effective way.

I recognize this is the Electronic Age. More and more we deal with Computers. The Post Office Department is installing the largest in the world—but these are tools—aims to modernize. They are neither substitutes for letter carriers or for campaign workers in registration drives to get out the vote. We need an Army—a well-directed Army—a fully utilized Army of manpower.

Long before the opening gun of the 1968 campaigns, we should be ready to go, and able to go, and headed in the same direction.

The other crucial task of any State and local organization that seeks to make a meaningful contribution is to educate.

Tell the people, again and again, about the issues.

Inform them.

Tell them about the Administration's policies on Vietnam.

Tell the people of your State about the valiant struggle to resist aggression.

Tell them as our President urged you to do last night how the sacrifices in Vietnam are being made to avoid greater sacrifices, later on, in different places, perhaps closer to our shores, and involving far greater cost in lives and resources.

And tell them about the President's program.

You know the historic—indeed fantastic—record of the last several years. Spell it out. Repeat it as a litany.

And our current program: It is one of the finest agendas of action ever presented to a Congress.

President Johnson has renewed his emphasis on raising the quality and availability of education, including the use of the greatest educational tool ever invented—television—to teach our children.

He has asked for a pilot program for free meals for preschool children.

He has asked for an anti-crime program that will reduce crime by removing the poverty in which it breeds, and give meaningful help to local police forces.

He has asked for protection of consumers, including truth-in-lending.

He has asked for an expansion of our effort to support mental health and combat mental retardation.

He has asked for new legislation for veterans.

He has asked for new action and renewed vigor in every area that challenges America today to assure continuity of progress in the future.

This is a program you can be proud of.

But you must advertise it. Spell it out. Describe it.

Describe what is being attempted, and what is being achieved, what has been accomplished.

And if the Republicans oppose, as they have so often, let's tell the voters about that too.

I think it well to remind our fellow Americans that such landmarks as Medicare and Federal assistance to primary and secondary schools were the result of action by your party, and your Administration, your Democratic Congress and your President.

Now perhaps my tone today seems somewhat harsh.

Perhaps I may sound critical.

I simply ask you to take what I say in the spirit I intend it.

Because I also want you to take with you from this meeting the remembrance that we have, together—as a team—fought many political battles.

We are working for America through the oldest political party in the world—as proud members of this historic party.

And, my friends, I would like to share with you just for a moment a mood that has come over me in recent weeks. It struck me at our recent National Committee Meeting and again at dinner with you last night.

Remembrances sharpened by visiting with so many of you once again.

The friendships of the years.

I want to recall with you—I want to remind you—that most of us here do go back together a good, long while. We have walked together. We have lived together through a golden era.

I recall a windswept Boston Common in 1952.

I walked across that Common with collar turned-up against a bitter wind, with two young men.

One had decided to seek state-wide office in Massachusetts and the other, his brother, had determined that he would devote his full time and effort to assist him.

And I also remember the primary route in 1960. I recall particularly Wisconsin and West Virginia and the conversation I had the morning following that West Virginia primary with the defeated candidate.

I remember him that morning, tired, bone tired, from weeks without sufficient sleep, disappointed, naturally.

And yet, at that moment he pledged his support, his full vigor, his total effort to move our party forward.

My friends, I also recall a hotel room in Los Angeles in 1960.

I remember well a tall Texan coming into that room to meet and be greeted by his leader.

And that Texan on that day said to our nominee, "You have my pledge.

"I will move heaven and earth to help achieve victory as a member of this ticket."

And I also recall a plane at Dallas.

On that plane with the body of our fallen leader—a man I had been intimately associated with for 14 years—I again listened to the words of that tall Texan, who explained carefully to me his constitutional responsibility which he was fully prepared to accept, and pointed out that the world and the nation awaited this grim testing of our democratic form of government.

The key word in his conversation was "continuity."

And he said to me, "I have a constitutional responsibility; you have none.

"But I ask you to stand shoulder to shoulder with me."

I have served two presidents over these last six years—in close association.

And I recall here so vividly these reminiscences I am sharing with you—that young man on windswept Boston Common, who served his brother, the President, with dedication to the end, and that brave and

courageous Democrat from Minnesota who travelled the highways and the byways into the communities of West Virginia and reacted as a true soldier at his moment of personal loss; and that tall Texan who travelled the long train route through the South in 1960 and who later assured continuity for this nation at a moment of crisis and great stress as the world awaited with bated breath.

I say to you, my friends, that all three of these men—leaders of our party—indeed all of those who hold national position and whom we look to for guidance, they will march shoulder to shoulder in 1968.

They will be together on the continuing upward path to an even greater America.

They will discharge their responsibilities together—their responsibilities to their party—their responsibilities to this nation.

I submit to you, will you—you in Pennsylvania, and in Michigan, and in California, and in Ohio and in New York—across this nation—will you, within your States and within the counties that you know so well, will you to stand shoulder to shoulder with your fellow Democrats united as leaders in this great cause?

Because, in the final analysis, my fellow Democrats, you—all of us together—the great Democratic party across this nation will make the judgment.

Our leaders, I predict to you today, will fulfill their role.

Ours is a great party with outstanding leadership.

Ours is the majority party—now and in the future.

So I leave the question with you, knowing in my heart the answer.

All of us—shoulder to shoulder—into the future to meet our obligations and our duties to fulfill our destiny.

We have a continuing unfinished agenda and we have a goal—a goal we can, we must and we will achieve:

My friends, it is simply this—Democratic victory in 1968!

GREEK INDEPENDENCE DAY

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. HELSTOSKI] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HELSTOSKI. Mr. Speaker, we in the West point with pride to the beginnings of our civilization in the ancient land of Greece. It was on this rocky peninsula jutting into the Mediterranean Sea that much of the literature, art, science, sculpture, architecture, and philosophy which formed the foundation for Western culture originated and matured. Our debt to the Greece of centuries past is a great one and the model of the Greek civilization is one which we emulate. But there remains one characteristic of the Greek nation which is often overlooked when we enumerate those borrowings from our heritage that have contributed to Western culture. It is the tenacious desire of the Greek people to retain their freedom and the rights so basic to human dignity.

It seems strange that the people who first implemented democracy should have suffered so much at the hands of tyrants and foreign rulers. One hundred and forty-six years ago, the Greeks valiantly

defied their Turkish masters when the Archbishop of Patras raised anew the standard of freedom so long buried beneath the heels of the Romans and the Ottomans. For eight years, the Greeks, aided by the English, the French, and the Russians, fought against the combined strength of the Turkish and Egyptian empires. The freedom that emerged from that bitter war withstood the Fascist onslaught of World War II and the postwar threat of an armed Communist insurrection. Today the Greek nation, independent and free, is a vital link in the chain of democratic nations forged against the war machine of the Communist hegemony.

The wars that have reinforced the Greek hold on democracy have left that brave nation in ruins. After each bout against the invader, the Greek people have rebuilt their nation with hard work and determination. The Greece of today is an example for the world or what can be accomplished in the face of adversity and hardship just as it is a living lesson that tyranny cannot conquer the free will of the Greek people.

Mr. Speaker, we join with the Greek nation on this anniversary of their independence in celebrating one of the truly significant dates in the history of Western civilization. We remember that our own break from the hold of a dictatorial overload was in part based on the principles of ancient Greek democracy. There exists between the Greek and American nations a bond of friendship that shall outlive the shouting of impetuous despots and our two nations shall continue to be living examples of true democracy.

LEGISLATIVE PROGRAM, PARALYZED VETERANS OF AMERICA

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Brown] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BROWN of California. Mr. Speaker, today I have reintroduced a bill that would provide the Paralyzed Veterans of America, Inc., with recognition by the Veterans' Administration in order that representatives from the PVA would be able to represent members of that organization in dealing with the VA.

Most of the other major veterans' organizations are allowed to keep fulltime representatives in VA regional offices to assist their members. I can see no reason why the paraplegic veterans should not have this same privilege.

In fact, there are good reasons why these veterans would need this type of representation more than most others, since we have many laws administered by the Veterans' Administration that deal specifically with the paralyzed veteran.

Last Thursday, March 30, Mr. Leslie P. Burghoff, Jr., president of the Paralyzed Veterans of America, appeared before

the Committee on Veterans' Affairs to present his organization's legislative program for 1967.

Mr. Burghoff, in his testimony, touched on the need for a congressional charter for PVA, which would accomplish automatically the recognition called for in my bill. Either approach would be welcomed, since the Veterans' Administration has a longstanding practice of giving recognition only to organizations granted a charter or recognition by an act of Congress.

Since this practice was originated by an order of the Administrator many years ago, it could be changed by a similar order. However, since the Administrator does not seem to feel that he is in a position to do so, congressional action appears necessary.

Mr. Speaker, I feel sure that my colleagues would want to review Mr. Burghoff's testimony in full so as to be aware of the entire legislative program of the Paralyzed Veterans of America. The testimony follows:

STATEMENT OF LESLIE P. BURGHOFF, JR., PRESIDENT, PARALYZED VETERANS OF AMERICA, BEFORE THE COMMITTEE ON VETERANS' AFFAIRS, HOUSE OF REPRESENTATIVES, MARCH 30, 1967

Mr. Chairman, Members of this Committee: On behalf of our members I consider it a privilege to appear before this Committee which has repeatedly demonstrated its dedication to the health, social, and economic well-being of the American veteran. I, also, appreciate this opportunity to present to you the Legislative Program of the Paralyzed Veterans of America.

HOSPITALIZATION

The paramount concern of the Paralyzed Veterans of America is that veterans suffering from a spinal cord injury or disease—paraplegics and quadriplegics—shall receive the best medical and rehabilitative care that is possible. We are inherently aware of the need for the very specialized care and treatment required for these veterans in order for them to return to a near normal way of life. To provide the maximum opportunity for developing the remaining, but substantial, potential of the spinal cord injured veteran, a highly specialized hospital facility and staff are required.

Under the leadership of the late and beloved Congresswoman Edith Nourse Rogers, the Hospitalization Subcommittee of this Veterans Affairs Committee supported the establishment of programs of treatment for paraplegics in the Spinal Cord Injury Services of our Veterans' Administration hospitals. These Spinal Cord Injury Centers pioneered in the development of the finest spinal cord injury treatment in the world. The philosophies and methods successfully demonstrated have been advantageously used to treat and rehabilitate paraplegics in all corners of the earth.

If the past is prologue, we must ignore a glorious beginning and observe the complacency which has allowed a steady deterioration in these beneficial programs. We must also be aware of the dangerous inadequacies in the present which have forfeited our select position as a world leader in this field. Today we do not have enough spinal cord injury centers to care for paraplegic veterans. We do not have a sufficient number of beds in the Centers we do have. And, of equal importance, we do not have adequate medical and paramedical personnel to staff them. All this, compounded by the steady influx of Vietnam wounded paraplegics, is leading to a critical failure to provide for our veterans.

The Paralyzed Veterans of America has attempted over the years to call attention to these problems—to little avail. To fill an obvious need, we are attempting to obtain better job ratings for male nursing attendants in the Spinal Cord Injury Centers. We welcome the survey and recommendations presented by the Chiefs of the Veterans' Administration Spinal Cord Injury Centers at their November 1966 Meeting calling for more ward aides. We have recommended new Centers be established, based on the paraplegic veteran population density and the fact that there are only 205 Spinal Cord Injury beds west of the Mississippi. We strongly urge that staff pay raises be legislated to enable the Veterans' Administration to recruit and hold highly motivated and skilled doctors, nurses, and male nursing attendants to fulfill the promise of "care for him who bore the brunt of battle."

In reviewing the litany of problems we are most concerned with the resultant failure to maintain a turnover of spinal cord injury patients to the extent that bed space is only available on a month's notice. While Congress has authorized domiciliary and short-term nursing home care, these programs are admittedly inadequate for the paraplegic and quadriplegic patients. We have suggested that the Veterans' Administration should establish an intermediate care program which would provide supervised nursing care and rehabilitation at a higher level than the existing nursing home care program, a Halfway House Program to bridge the gap between the hospital and the return to living at home, and, eventually, a low cost housing development specially constructed for wheelchair living. The most pressing need is the intermediate care program which could free beds for Vietnam wounded and other critical cases in three months.

We shall welcome the opportunity to present our views on these and other matters when the Hospitalization Subcommittee holds its hearings.

THE NON-SERVICE-CONNECTED PARAPLEGIC VETERAN

During the past this Committee has been sincerely concerned with, and helpful to, the nonservice-connected veteran. But even our best intentions go astray when influenced by other forces. These veterans are caught in a rip-tide which washes away their precious ability to maintain life with dignity. The greater cost of medicines, medical supplies, and vital prosthetics has reduced them below a poverty level. We strongly urge Congress to provide legislation to give the necessary drugs, medical supplies, and prosthetics to those nonservice-connected veterans who are in need of aid and attendance. It is further submitted that this benefit be made available to those under the Protected Pension Plan, Public Law 86-211, and those pensionless paraplegics who are eligible for medical treatment.

The mandatory need for specially equipped automobiles for transportation, specially remodeled homes or apartments for housing, and funds to repair clothing worn and torn by prostheses, truly demonstrates the exceptional necessity for additional financial assistance. We strongly urge the passage of the Paraplegic Rehabilitation Allowance Bill, H.R. 1360, which would provide \$100.00 per month to help meet these tremendous costs faced by the paraplegic in today's economy. Less than 5,000 nonservice-connected veterans would be eligible for this benefit, thereby limiting its effect directly to those in greatest need. The assistance that would be rendered to these veterans is in keeping with today's programs for Americans at this income level. The need for, and the results provided by, the enactment of H.R. 1360 should justify a position of high priority in the consideration of this Committee.

The Paralyzed Veterans of America recently conducted a survey of our nonservice-

connected members. The finding that stands out above all others is that the low income limitation and the inclusion of Social Security disability benefit payments as income are the two most deleterious features of our pension laws. They reduce incentive, undermine security, and are considered inequitable to the pension recipient who is left with a bitter choice of doing nothing to improve himself. In order to provide a measure of security where little is found, we urge that legislation be adopted to exclude the income earned by a veteran in receipt of aid and attendance when computing his eligibility for pension benefits. We further urge that Social Security disability payments be considered as most other welfare and charitable income is under existing rules and regulations, and be excluded in determining income for pension purposes.

The Paralyzed Veterans of America has always advocated the complete integration of the paraplegic veteran into the mainstream of our society. When striving to become an integral part of society the paralyzed veteran must meet the same obligations as others such as monthly rent, utilities, insurance, taxes and automobile payments. He must continue to meet these obligations whether he is living at home or suddenly required to be hospitalized for one of the many concomitant problems of paraplegia such as urological disorders, decubitus ulcers, fractures or other ailments. Generally these conditions are not corrected in sixty days. The reduction of his pension to \$30.00 per month during these periods of hospitalization causes undue financial hardship, as his normal obligations for the maintenance of his home must continue to be met. To promote some sense of security we urge that the requirement reducing the pension to \$30.00 a month be repealed and the full amounts paid the veteran as is done under the protected pension law in the case of those suffering from Hansen's disease and paraplegia.

We have enumerated specific areas of the pension picture that are in need of special action to correct inequities, and we have attached to this statement our nonservice-connected survey report that will support our recommendations. Without re-enumerating the reasons it is sufficient to state that they apply to the general pension picture also. Therefore, the Paralyzed Veterans of America wholeheartedly supports the proposal of President Lyndon B. Johnson to grant a 5.4 percent increase in pension payments.

THE SERVICE-CONNECTED PARAPLEGIC VETERAN

The veteran of World War II, Korea, Vietnam, and other conflicts of cold war whose spinal cord injury is a direct result of service to our country, unfortunately finds himself in a constantly losing position in today's economy. The costs of services on which he must rely heavily continue to rise. Therefore, the Paralyzed Veterans of America supports H.R. 1386, a bill to increase compensation payments to service-connected veterans.

We must point out, however, that the amount allowed for aid and attendance falls far short of providing the service which was intended. The quadriplegic must have daily assistance in getting dressed, getting out of bed, performing the various activities of daily living, such as eating, bathing, and just moving about, and then he must return to bed. If one were to multiply the minimum hourly wage by the number of hours of daily attendance required, and then multiply this by the number of days in the month, it would result in a figure greater than double the present aid and attendance rate. The Paralyzed Veterans of America recommends that a one-hundred percent increase be given in the aid and attendance allowance.

Our compulsory service laws which the Paralyzed Veterans of America fully support, interrupt the lives of the American male

citizen who will later become a veteran. Even though all of our active duty servicemen do not serve in actual combat, they must leave their homes, interrupt their schooling or careers, and are required to serve in areas that expose them to hazards which they would not normally encounter. All of these men have been an integral part of our country's defense, regardless of the "title" of the war in which they served. We strongly support equalizing compensation and other benefits, including the grant for an automobile, of the Peacetime veteran with that of the Wartime veteran.

Confinement in a wheelchair, for all practical purposes, excludes all forms of transportation other than the private automobile. Only by use of special hand controls can the paraplegic operate the motor vehicle. While Section 1901 of Title 38, USC, authorizes the grant for an automobile and equipment, Section 1904 limits the duplication of the benefit to replacement of only the automobile. The use of any prosthetic or aid device should be determined by the existing disability. This is the rule in everything but the hand control for driving an automobile. The device is necessary for a paraplegic to operate his vehicle the same as leg braces or artificial limbs are necessary for ambulation of the spinal cord injured or amputees. Therefore, the Paralyzed Veterans of America requests that H.R. 1359 be given favorable consideration to include hand controls in the definition of prosthetics.

This Committee has been the birthplace of all favorable and generous legislation that benefits the severely disabled veteran. Provision for his social and economic well-being, in the form of compensation, specially adapted housing, and a grant toward the purchase of an automobile, have been significant in returning the paraplegic veteran to a useful and active role in society. One of the desired necessities of today's life that eludes him and causes him a certain amount of insecurity is providing for his dependents after his death. His disability precludes the purchase of life insurance at reasonable rates. A large measure of security would be provided if his widow would be assured of receiving Disability and Indemnity Compensation payments. We recommend that legislation be adopted to provide for the payment of dependency and indemnity compensation to certain survivors of deceased veterans who were rated to receive "aid and attendance" allowance by reason of service-connected disabilities for twenty or more years.

P.L. 87-666 and P.L. 87-671 brought much more improvement to the appeals system. The Paralyzed Veterans of America nevertheless feels that a Court of Veterans Appeals is essential. It would provide an opportunity for claims previously denied to be considered by an impartial body whose purpose would be to administer the law consistent with the intent of Congress.

Although the matter of a Federal charter for Paralyzed Veterans of America does not come within the jurisdiction of this Committee, I hope in our attempt to secure passage of our charter legislation H.R. 7533, we might have your individual support both on and off the floor. We are confident the abilities of our Organization in serving our members now warrant a charter from the Congress of the United States.

The Paralyzed Veterans of America is keenly aware of, and deeply grateful for, the significant role this Committee played in the enactment of H.R. 203 in the last Congress. We are hopeful that the resulting research in the field of spinal cord injury may be the beginning of an effort that will lead to the elimination of paraplegia. PVA, also, will continue in its support of spinal cord research programs working towards this same end.

I, again, thank you for this opportunity to outline these programs and goals of the Paralyzed Veterans of America.

COMMUNIST ORIGIN AND MANIPULATION OF VIETNAM WEEK, APRIL 8-15, 1967

Mr. HAMMERSCHMIDT. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. ASHBROOK] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, on June 22-26, 1966, the Communist Party, U.S.A., held its 18th national convention in New York City. A statement on the convention by J. Edgar Hoover, Director of the Federal Bureau of Investigation, noted:

The convention made a special attempt, especially through its youth program, to establish the Party as the catalyst of the so-called "New Left" in this country, hoping to form coalitions with all elements of that movement.

Referring further to the "new left" and the CPUSA, Mr. Hoover stated:

The party has been watching with unhibited glee the rise of so-called "new left" organizations and groups, which have culminated in "peace" marches, protest demonstrations against American policy in Vietnam, and turmoil on college and university campuses. The party press has carried articles on the "new left", saying the party should guide, exploit, and if possible, corral this youthful sentiment—which so largely is directed against the "status quo" and the "establishment" and has even encouraged civil disobedience.

On Friday, March 31, 1967, the House Committee on Un-American Activities made public its report, "Communist Origin and Manipulation of Vietnam Week—April 8-15, 1967," in which it charged that Communists are the principal organizing force behind extensive demonstrations to take place during Vietnam Week, April 8-15. Here is the committee's press release which accompanied the report:

PRESS RELEASE, UN-AMERICAN ACTIVITIES COMMITTEE, U.S. HOUSE OF REPRESENTATIVES, WASHINGTON, D.C.

The Committee on Un-American Activities charged today that Communists are the principal organizing force behind extensive demonstrations to take place during "Vietnam Week," April 8-15.

A Committee report, "Communist Origin and Manipulation of Vietnam Week," says the aims of these demonstrations are to reverse the U.S. policy of resisting Communism in Vietnam, undermine the United States, destroy any possibility of establishing a stable democratic government in Vietnam and promote a Communist takeover there.

The Committee names two groups as the planners and organizers of the demonstrations—the Student Mobilization Committee and the Spring Mobilization Committee. It says "Communists are playing dominant roles" in both organizations.

The student group, the Committee states, grew out of a conference in Chicago last December, called by Bettina Aptheker of the Communist Party's National Committee, to organize a nationwide student strike against the war in Vietnam. The conference decided to limit the strike proposal to a few key campuses, but to stage extensive on-and-off campus student demonstrations throughout the week of April 8-15.

The aim of the Spring Mobilization Com-

mittee is to stage on April 15, as a culmination of Vietnam Week, the largest demonstration ever to take place in the U.S. against the war in Vietnam. The two committees have joined forces to insure the success of their joint projects.

The Committee report identifies top-ranking Communists as being associated with the Chicago Conference and the two committees spearheading the demonstrations. Among them are *Herbert Aptheker*, leading theoretician of the Communist Party; *Mike Zagarell*, the Party's National Youth Director; *Arnold Johnson*, the Party's public relations director; *Bettina Aptheker*, described by the Committee as the Party's "top youth agitator"; *Carl Bloice*, first publications director of the W.E.B. DuBois Clubs; *Robert Heisler*, former Dubois Club's National Committeeman, and *Albert Lima*, Chairman of the Northern California District of the Communist Party—all members of the Communist Party's National Committee.

Trotskyist Communists, the Committee report says, are also prominent in the organization of Vietnam Week: They include *Fred Halstead*, National Committeeman; *Joel Britton*, Chicago organizer, and *Jack Barnes*, New York organizer of the Trotskyist Communist organization, the Social Workers Party, and *Lew Jones*, 1966 National Chairman of the Trotskyist youth group, the Young Socialist Alliance.

Representative Edwin E. Willis, Chairman of the Committee, said evidence indicates that the organizers of Vietnam Week may succeed in their basic objective of staging the largest and most extensive demonstrations against the war in Vietnam.

"We must keep in mind, however, that they originally hoped to turn out 500,000 people for their march in New York and the same number for their San Francisco march and demonstration—a total of 1,000,000 people. I am convinced they will not get anything like this number. It will be a Communist failure in this respect, though they will succeed in providing a lot of grist for the worldwide Communist propaganda mill.

"Naturally, this is disturbing. It is encouraging, however, to know that the great majority of students in this country are refusing to have anything to do with Vietnam Week and counterdemonstrations are being organized on some campuses."

The Committee report finds that global publicity will be given to the Vietnam Week demonstrations by Communist propagandists in all parts of the world and will have the following effects:

(a) It will give aid and comfort to the Communists everywhere, particularly in Vietnam;

(b) Among non-Communists, it will tend to create the false impression that a truly large segment of the U.S. population is vehemently opposed to this country's policy in Vietnam;

(c) U.S. leaders will be faced with greater difficulties in convincing our allies of the correctness of this country's policy in Vietnam. (Other Committee conclusions are found on pages 53, 54 of the report.)

Mr. Speaker, thus it can be seen that less than a year after the CPUSA's national convention, its plans to "establish the Party as the catalyst of the so-called new left in this country" are well under way. As the House Committee points out, the vehicles by which the CPUSA is directing the Vietnam Week affair are the Student Mobilization Committee and the Spring Mobilization Committee in which "Communists are playing dominant roles." The House Committee on Un-American Activities further illustrates how unsuspecting, sincere citizens can be duped into lending their support

to this effort. Regarding the Spring Mobilization Committee, it states:

There are, of course, many non-Communists who are sponsors of the Spring Mobilization Committee. It is probable that thousands of such persons will support its April 15 demonstrations. Not one of the top officers of the committee is known to be a Communist. With this excellent cover, there is little doubt but that the many Communists who are giving their all-out support to the group's activities will succeed in hoodwinking many persons who are sincere pacifists, liberals, and critics of U.S. policy in Vietnam into supporting the April 15 demonstrations—which the Communists look upon primarily as a means of undermining the United States and promoting Communist interests not only in Vietnam, but in all parts of the world.

It is distressing that the use of that old and well-exposed tactic, the united front, can still be employed to help further Communist objectives with non-Communist hands. This is, of course, the device whereby Communists work with non-Communists to control an organization, agency, a movement or a government. It is ironic that pacifist elements which are involved in Vietnam Week are actually encouraging North Vietnam to continue its brutal aggression against the people of South Vietnam. The New York Times of February 20, 1967, carried a UPI release concerning United States protest rallies which states in part:

North Vietnam said today that it regarded demonstrations in the United States against American policy in Vietnam as proof that the Communists would win the war.

An article in the official Government newspaper *Nhan Dan* said the North Vietnamese "hailed the mounting struggle of the entire people of the United States of America against Johnson's aggressive war in Vietnam."

With regard to the young members of the so-called new left who believe that they can work along with the Communist Party, they are in for a rude awakening. The House committee report illustrates what can happen when non-Communist organizations seek to work along with Communist groups:

Students for a Democratic Society (SDS) has two disadvantages when it gets into a conflict with Communist and ultraradical groups on any issue: (1) It grants its local chapters and individual members much more freedom than the other organizations do; (2) because it welcomes Communists and radicals of all descriptions, it sometimes develops that SDS "delegates" to some gathering will not represent the SDS position at all because they are members of the Communist Party, Progressive Labor Party, or Socialist Workers Party and their first loyalty is to those organizations. When a showdown comes, these SDS members support the position of these other groups in opposition to the position of SDS.

I wish that all those sincere citizens who disagree with our present firm policy in Vietnam but who are unalterably opposed to tyranny and totalitarianism could read the conclusions set forth in the House committee's report on Vietnam Week. Especially pertinent for the future is this excerpt:

The success of the Communist united front strategy, which is so evident in the Vietnam Week program, indicates that much needs to be done, particularly on the col-

lege level, to inform the youth of America about both the principles on which the Government of this country is based and the nature, record, strategy, and tactics of communism. No person who is truly informed about the nature and record of communism—joins in any united front operation with Communists.

To forewarn those who might be uninformed about the true nature of the Vietnam Week program, I include the conclusions of the report, "Communist Origin and Manipulation of Vietnam Week, April 8-15, 1967," in the RECORD at this point:

CONCLUSIONS

The proposal for a nationwide student strike was completely Communist in origin.

The Chicago conference, at which the decision to stage Vietnam Week (April 8-15, 1967) was made, was instigated and dominated by the Communist Party, U.S.A., and the W. E. B. DuBois Clubs of America.

By careful selection of a limited list of national sponsors, a deliberate effort has been made in the printed Call to Vietnam Week to conceal the major role the Communists have played—and are playing—in organizing and promoting this project.

Communist organizations, the Communist press, Communist fronts, and individual Communists are united in giving their all-out support to Vietnam Week and all the activities and demonstrations associated with it.

Communists are playing dominant roles in both the Student Mobilization Committee and the Spring Mobilization Committee. Further, these two organizations have unified their efforts and are cooperating completely in their purpose of staging on April 15 the largest demonstrations against the war in Vietnam ever to take place in this country.

The immediate objective of Vietnam Week and the April 15 demonstrations is to reverse the U.S. policy of resisting communism in Vietnam.

The constant professions of a desire for "peace" which have appeared in the literature and publicly related to Vietnam Week are completely insincere; the real, ultimate aim of the dominant Communist element in this movement is not peace, but the undermining of the United States, the destruction of any possibility of establishing a stable democratic government in Vietnam, the promotion of a Communist takeover in Vietnam, and the general advance of world communism.

The organization and planning of the Vietnam Week demonstrations provide an excellent example of successful implementation by the Communists of their "united front" strategy.

Dr. Martin Luther King's agreement to play a leading role in the April 15 demonstrations in New York City, and his freeing Rev. James Bevel from his key position in the Southern Christian Leadership Conference to head up the Spring Mobilization Committee, are evidence that the Communists have succeeded, at least partially, in implementing their strategy of fusing the Vietnam and civil rights issues in order to strengthen their chances of bringing about a reversal of U.S. policy in Vietnam.

Pacifist elements are involved in Vietnam Week, in the Student Mobilization Committee, the Spring Mobilization Committee, and its predecessor, the November 8 Mobilization Committee for Peace in Vietnam. Generally speaking, however, genuine pacifist elements and organizations in this country are relatively small and weak. Alone, they have never succeeded in staging a major demonstration. While the sincerity of these groups in agitating for peace in Vietnam and elsewhere is not to be questioned, it is clear

that they have played, and are playing, a minor role in Vietnam Week and in other anti-Vietnam-war demonstrations that have taken place in this country in recent years.

Every major, large-scale demonstration against the war in Vietnam which has taken place in this country has had all-out Communist support. They have, in fact, achieved the status of "large-scale" and "major" mainly because of the effort put into them by Communist elements.

The success of the Communist united front strategy, which is so evident in the Vietnam Week program, indicates that much needs to be done, particularly on the college level, to inform the youth of America about both the principles on which the Government of this country is based and the nature, record, strategy, and tactics of communism. No person who is truly dedicated to freedom, liberty, and the concept of democratic government, who opposes tyranny and totalitarianism—and, at the same time, is truly informed about the nature and record of communism—joins in any united front operation with Communists.

Such success as the instigators and organizers of Vietnam Week may have in staging anti-U.S. demonstrations, April 8-15, and in turning out large numbers of people for the New York and San Francisco demonstrations must be attributed primarily to the Communists. The overall success of this operation will also be an indication of Communist strength and the extent to which the Communists are able to influence and manipulate non-Communist Americans.

The Communist propaganda apparatus throughout the world will capitalize, in every way possible, on the Vietnam Week and April 15 demonstrations. The global publicity given to them by the Communist propaganda machine will have the following effects:

(a) It will give aid and comfort to Communists everywhere, particularly in Vietnam.

(b) Among non-Communists, it will tend to create the false impression that a truly large segment of the U.S. population is vehemently opposed to this country's policy in Vietnam.

(c) U.S. leaders will be faced with greater difficulties in convincing our allies of the correctness of this country's policy in Vietnam.

ADDRESS OF HON. LARRY O'BRIEN, ON PROPOSALS REGARDING POSTAL SERVICE

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. ALBERT. Mr. Speaker, the Postmaster General, the Honorable Larry O'Brien, in an address today before the Magazine Publishers Association and the American Society of Magazine Editors, has made far-reaching proposals regarding the postal service. I am inserting a copy of this address in the RECORD for the information of Members of the House. The address reads as follows:

A NEW DESIGN FOR THE POSTAL SERVICE
(Address by Postmaster General Lawrence F. O'Brien)

It is indeed a pleasure to be with you here today and to bring you the greetings of President Johnson.

You, collectively, form one of our greatest customers.

And we, the U.S. Post Office Department, form your greatest channel of distribution.

Certainly, there is a partnership of mutual interest and long concern existing between us, a fact reflected in the splendid cooperation given by MPA members to the Postal Service by donating valuable space as a public service to ZIP Code advertisements. My friends, I want to state again my thanks and appreciation for this voluntary and important effort.

The partnership that exists between us is also accorded unique recognition in the Postal Policy Act of 1958.

For the Act recognized that publishing, and the distribution of publications, form not just another business, but a national resource that has yielded enormous benefit to the nation throughout its history, and will continue, I am sure, to yield enormous benefit in the years to come.

It is a truism to recall the great diversity of this splendid country of ours—diversity in geography, in climate, in farm and industry, in race, in national origin.

We are so diverse that only extraordinary means could have held us together when so many forces seemed designed to tear us apart. There are a number of reasons why the United States did not become the dis-United States, and why we did not evolve into a North American Balkans.

There are many factors that combined and unified America. The process was carried on silently, almost in secret, underneath the temporary upheavals in our history. It moved by a chain of paper that transported the elements of Americanism through thousands of miles, across mountains and desert, from city to frontier, a chain stretching into every clearing and valley. This link consisted of the postal service and the publications—magazines and newspapers—that provided a common store of images, of heroes, of folklore, of truth, and of inspiration and ideals.

The American magazine industry has been a powerful force in the making of America, and of making America better, and I salute you and your industry which we strive to serve.

Occasionally I receive some slight indication that our effort to serve is meeting with success. Just a few days ago I received a letter from a patron in North Dakota, telling me of improved mail delivery. She said, "You just don't know how much prompt mail service means to my husband since he lost his mind."

I'm sure she wasn't referring to the delivery of magazines.

I notice there are an increasing number of magazine articles that deal with problems of the future of the postal service. I don't know whether this is because the present and the past are so dismal, but there is a noticeable trend, nonetheless.

Of course, the future has always fascinated man. And I suppose publishers have found . . . if I can sound timely . . . that there are profits in being prophets.

But I'm afraid even the most optimistic prophets can't see much brightness in our future. Fortune tells us in bold capital letters that "Time is running out"—I wonder if the editor let that one slip by or if it's a subliminal hint to renew a sister publication—"Time is running out," the Fortune headline reads, "and trouble is spreading." "It's now or never for the Post Office." The Saturday Review tells us of "The Day the Mails Stopped." Newsweek tells "How to Float on a Sea of Red Ink." "What's the Matter With the Mails?" the reporter asks plaintively. "What Ails the Post Office?" Nation wants to know. Reader's Digest finds a "Crisis in the Post Office." U.S. News and World Report gives me some company by reminding us of "A Question the World Over: 'What's Wrong With the Mails?'" and in its April 3rd issue it asks, "Can Anything be Done About U.S. Mail Service?"

And so it goes. I apologize for those I've missed.

After reading some of those articles, I am

reminded of the confused lady in Fresno whose car rolled smashing down the street after she got out to mail a letter. "Didn't you set the emergency brake?" asked the judge. "Emergency brake?" she said, surprised. "I didn't know mailing a letter was an emergency."

Well, despite the many problems we face, it still isn't an emergency—yet. In fact, if I may refer back to the April issue of U.S. News, I think there is something that can be done about the U.S. mail service. That something is to change the prescription we've been using to combat hardening of the postal arteries, and our chronic case of pernicious deficit. I believe another prescription is needed. In fact, I have given the nature of this prescription considerable—and increasing—thought since I became Postmaster General 17 months ago today.

We have made extensive progress in our effort to improve service. In fact, we have even taken some of the steps that you have been urging on us for years.

Though I am proud of what has been accomplished, the speed of our advance reminds me of the nature of battle in World War One. For every inch that we advance through shellhole, sticky mud, and poison gas, it is necessary to undertake a tremendous barrage, and expend whole divisions of energy and good will. Victories are measured in inches.

The reason for this painful and difficult progress is rooted not merely in volume, but more in the restrictive jungle of legislation and custom that has grown up around the Post Office Department in the 138 years since it joined Andrew Jackson's Cabinet.

In 1829, the Post Office Department was one of the principal policy arms of the Federal Government. During our history, we were the channel through which Federal assistance was provided to roadbuilding, the newly developed steamship, and the infant railroad and airline industries. It was important and necessary and right that there be a strong link between the postal service and the highest policy-making levels in the Executive Branch of our government. But those needs of the past no longer exist.

Since Andrew Jackson's time there have been more changes in the way people live and the way people think than had taken place in the previous thousand years. If the postal service had remained what it was in 1829, the situation would be a difficult one. But the truth, my friends, is that we are less able to meet changing needs today than was Amos Kendall, Jackson's Postmaster General, or Montgomery Blair, Lincoln's Postmaster General.

All institutions have a life of their own, and they either grow or die. Sometimes, like the dinosaur, they grow in ways that are harmful, they grow in self-destructive ways.

I think that is the path that has been taken by the postal service.

I have concluded that there are so many existing and formidable barriers to efficient management that the ultimate solution to the problems of the postal service lies in taking the Department out of its present context entirely.

I think the effort to patch a fabric so full of holes is yielding diminishing returns.

Let me cite just one example: In 1951, a parcel post law was passed which proved unworkable. During the period from 1951 to 1966, when the Parcel Post Reform Law was passed, there were close to 2 million words of testimony, from 244 witnesses. In addition, there were whole forests consumed for the amount of paper required for newspaper and magazine coverage of the issue. There were another 4 million words involved in exchanges over this matter with the Interstate Commerce Commission, and in debate in the Houses of Congress. For each page of testimony countless hours of research and preparation were required. The time of many talented people, on both sides

of the issue, was consumed as quickly as cellophane in a bonfire.

And, as you are keenly and perhaps painfully aware, we are now engaged in requesting a rate increase, a task that will certainly place heavy burdens on already overburdened members of Congress.

If we ran our telephone system in this way, the carrier pigeon business would still have a great future, and I would sell my shares of AT&T—if I had any.

AT&T is planning to build an atomic bomb in this way, we'd still be surveying sites in Tennessee, Washington, and New Mexico— or arguing about whether we should survey the sites.

Ladies and Gentleman, the Post Office Department, as presently constituted, reminds me of the classic definition of an elephant—a mouse built to government specifications.

Recently I was asked a basic question about the organization of the Postal Service by the receptive Chairman of the House Appropriations Subcommittee, Representative Tom Steed of Oklahoma.

Chairman Steed asked, "General . . . would this be a fair summary: that at the present time as the manager of the Post Office Department, you have no control over your work load, you have no control over the rates of revenue that you are able to bring in, you have no control over the pay rates of the employees that you employ, you have very little control over the conditions of the service of these employees, you have virtually no control, by the nature of it, of the physical facilities that you are forced to use, and you have only a limited control at best over the transportation facilities that you are compelled to use . . . ?" And then he added, this is ". . . a staggering amount of 'no control' in terms of the duties you have to perform."

I agreed with Chairman Steed. My area of "no control" is almost unlimited.

This is a situation that has grown up over such a long period of time and has such a strong tradition, that the only effective action I foresee is sweeping it away entirely.

And at this point permit me to say loud and clear that I am not focusing any criticism on Congress for the manner in which the Postal Service is organized. Our organization is the product of evolution, and I think any candid assessment of the record will show that whenever real progress has been made during that evolutionary process, Congressional prodding has had much to do with it. For example, I recently received a strong prod myself from the Chairman of the Senate Post Office and Civil Service Committee—Senator Mike Monroney—concerning greater use of airlift for first class mail. So when we have moved down more enlightened paths, it has quite often been as a result of Congressional "marching orders."

The question is whether so much prodding would have been necessary if the managers of the postal service were themselves clearly and fully responsible for the Department's record.

As you know, I had some experience in the legislative area prior to becoming Postmaster General and I want to say that since taking on this job I have had the fullest cooperation from the Chairmen and members of our legislative and appropriations Committees. Senator Monroney, Chairman Steed, Chairman Dulski and their colleagues have at all times displayed the most intense interest in postal progress. They have often initiated and always supported our efforts to modernize, mechanize and plan for the future.

The conclusion I have reached has fully taken into account this meaningful partnership between the Executive Branch and the Congress. The partnership is meaningful, the relationships are excellent but together we occupy a vehicle no longer able to respond to the demands of the times.

Indifference, inflexibility, timidity are tenacious molds that grow in areas shaded by diffused responsibility. When everybody

is responsible, as you well know from your own business operations, nobody is responsible.

If there is one lesson I have learned from many years in public service it is that when you give a man responsibility and hold him to it—then, and only then, do you get results.

A lifetime in politics has also helped me appreciate the value of compromise. But there are times when compromise is simply not possible. It's difficult to find grounds for compromise between a girl who wants a big church wedding and a boy who wants to break his engagement. And it's difficult to find a compromise between superlative service and cumbersome organization.

Shortly after I became Postmaster General I assigned the best talent I could find to a Task Force to study this problem. I have recently seen the results of the study made by this group. Their conclusions and my own are parallel.

And therefore I propose to you today that the postal service—

Should cease to be part of the President's Cabinet;

Should become a nonprofit government corporation, rendering essential public service;

Should provide postal services authorized by the Congress;

Should be operated by a board of directors, appointed by the President, and confirmed by the Congress;

Should be managed by a professional executive appointed by the board;

Should be given a clear mandate on the percentage of cost coverage for postal services, so that further revisions in rates—should they be necessary—would be made on a fixed formula basis.

And in addition, management and employees alike should be paid according to standards of comparable industries; and employees should be offered more incentive and scope as well as a wider area for collective bargaining.

Further, other steps should be taken to assure that the postal service reflects fully the genius of American management and industrial skills.

Through the establishment of a government corporation we would avoid the many statutory restrictions on appropriated funds which now exist. For example, the corporation would issue bonds to provide a capital fund with which to build appropriately designed and well equipped post office structures, which could also be self-amortizing through rental income.

I can report to you that I have made a general recommendation of this nature to the President, and he feels it worthy of intensive study. And in case there is any doubt, I want to state that while I am advocating the abolition of my own job, I would not under any circumstances take an executive position in the government corporation I am proposing.

During recent months a number of proposals have been made in the Congress to alter some aspects of the postal service. While all are well intentioned, they are only props for the tottering structure we now inhabit so uneasily.

I believe the time for props is past. I think we must stop tinkering and begin constructing.

The Constitution of the United States makes no mention of supporting farm prices, regulating the purity of food and drugs, the reclamation of arid land . . . but it does contain a mandate for Congress to establish post offices and post roads. The Founding Fathers understood clearly that, aside from the common defense, there are few services as important to a farflung nation than a postal service with the qualities of safety, certainty, celerity and economy. The United States is perhaps the most ingenious nation in the history of the world. I think it is about time that we devote considerably more

of that ingenuity to the vital area of postal communications.

It is about time, because the volume that already threatens catastrophe is only the shadow of events to come.

We are close to the 200 million mark in our population.

Our gross national product approaches \$760 billion.

We are in the 74th month of unbroken and unprecedented economic expansion.

Our index of industrial production is 155% of what it was back in 1957 to 1959.

Personal income rose to \$610 billion a year as of February.

We are better educated than ever before. The average number of school years completed per citizen is at an all-time high of 11.8. More Americans are going to school than ever before. And the Federal, State and local governments are pouring almost \$30 billion into education, more than twice the entire national income of Spain and 70 percent of the entire income of Italy.

In short, the United States right now has more people earning and learning than ever before.

What does this mean for the Postal Service? Simply that we are the mirror of this affluence, this rising standard of living and learning.

And, I might add, mail volume is growing faster than our population. For each year, despite the growth in telephone, teletype, and other electronic traffic, there is a rise in the per capita number of letters sent by the American people. When I came to the Post Office Department the rate was one piece of mail per day for every man, woman and child: 365 pieces a year. Now we are anticipating a figure of 415 pieces of mail a year for every American.

Ladies and Gentlemen, some observers seem to view the Post Office Department as a kind of sponge that can absorb any amount, any increase, in mail. I am afraid the sponge is full.

We simply can't go on as we have been.

A number of magazine articles I cited earlier arrived at conclusions similar to that of Fortune: ". . . unless something is done soon to reform the service, the postal system is headed for an impossible situation."

The article commends the steps we have taken, such as accelerating our mechanization and modernization program; according new status to our research effort by upgrading it to the Assistant Postmaster General level and attracting to it many highly qualified engineers and scientists; setting up an Office of Planning and Systems Analysis so that resources may be employed in the right place, the right time, with the right emphasis; and providing for the most extensive electronic source data network in the world.

We have taken these steps, and we plan to take still others in the future. For example, on top of our \$100 million accelerated mechanization and modernization program, we are asking the Congress for an additional sum of \$300 million for the coming year—a sum already approved by the House of Representatives. But though meaningful progress has been and is being made—we still pull behind us the anchor of organization long ago surpassed by the general advance of our country.

I have, today, given you my proposals on how we can move into the main stream of progress. I know my proposal is far-reaching; in fact, it has to be the most extensive proposal ever made in the history of the American postal service. But, I am firmly convinced, this is the only way to achieve the superlative postal service President Johnson has mandated, postal service worthy of the American Standard. And, I would like to ask you to cooperate with us, as you have so often in the past. A departure from tradition such as I propose requires public understanding and public support. There is no better vehicle for the creation of under-

standing and support than the powerful instrument of the American magazine industry. So, in closing, I ask for your help in bringing home to the people of this country the need for, and the nature of, the proposals I have made today.

President Johnson often recalls a statement once made by John F. Kennedy—that happiness lies in full use of your powers along lines of excellence. I think through the changes I suggest, we can build a postal service that uses, fully, its resources along lines of excellence, a result that, at long last, should make the American people happy with mail service.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DICKINSON (at the request of Mr. GERALD R. FORD), for the balance of the week, on account of official business as member of Armed Services Committee inspecting Vietnam bases.

Mr. HALLECK (at the request of Mr. GERALD R. FORD), for the balance of the week, on account of official business as member of Armed Services Committee inspecting Vietnam bases.

Mr. GUBSER (at the request of Mr. GERALD R. FORD), for the balance of the week, on account of official business as member of Armed Services Committee inspecting Vietnam bases.

Mr. MATHIAS of Maryland (at the request of Mr. GERALD R. FORD), through April 5, on account of official business.

Mr. REINECKE (at the request of Mr. GERALD R. FORD), through April 5, on account of official business.

Mr. HAGAN (at the request of Mr. ALBERT), for Monday and Tuesday, April 3 and 4, on account of official business as member of Armed Services Committee inspecting Vietnam bases.

Mr. STRATTON (at the request of Mr. ALBERT), for Monday and Tuesday, April 3 and 4, on account of official business as member of Armed Services Committee inspecting Vietnam bases.

Mr. IRWIN (at the request of Mr. ALBERT), for Monday and Tuesday, April 3 and 4, on account of official business as member of Armed Services Committee inspecting Vietnam bases.

Mr. CORMAN, for an indefinite period, on account of official business.

Mr. FRASER (at the request of Mr. BOGGS), for the week of April 3, on account of official business.

Mr. BYRNE of Pennsylvania (at the request of Mr. ALBERT), for Monday and Tuesday, April 3 and 4, on account of official business as member of Armed Services Committee inspecting Vietnam bases.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. JONAS (at the request of Mr. BATTIN), for 5 minutes, today.

Mr. HALPERN (at the request of Mr. HAMMERSCHMIDT), for 10 minutes, today; and to revise and extend his remarks and include extraneous matter.

Mr. LIPSCOMB (at the request of Mr. HAMMERSCHMIDT), for 15 minutes, on

April 4; and to revise and extend his remarks and include extraneous matter.

Mr. FISHER (at the request of Mr. MCFALL), for 30 minutes today, to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Mr. HORTON and to include extraneous material.

Mr. RARICK and to include extraneous material.

(The following Member (at the request of Mr. MCFALL) and to include extraneous matter:)

Mr. TENZER in three instances.

BILL PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on March 23, 1967, present to the President, for his approval, a bill of the House of the following title:

H.R. 7123. An act making supplemental appropriations for the fiscal year ending June 30, 1967, and for other purposes.

ADJOURNMENT

Mr. MCFALL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 5 minutes, p.m.) the House adjourned until tomorrow, Tuesday, April 4, 1967, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

568. A letter from the Secretary of the Treasury, the Acting Secretary of Commerce, and the President and Chairman, Export-Import Bank of Washington, transmitting a report on the policies and operations of the National Advisory Council on International Monetary and Financial Policies covering the period July 1, 1965-June 30, 1966, pursuant to the provisions of Public Law 89-126 (H. Doc. No. 92); to the Committee on Banking and Currency and ordered to be printed.

569. A letter from the president, Girl Scouts of the United States of America, transmitting the 17th Annual Report of the Girl Scouts of the United States of America, pursuant to the provisions of Public Law 272 of August 14, 1953 (H. Doc. No. 93); to the Committee on the District of Columbia and ordered to be printed with illustrations.

570. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the act of February 2, 1903, as amended, to authorize user charges for certain services performed thereunder by the Department of Agriculture, and for other purposes; to the Committee on Agriculture.

571. A letter from the Acting Administrator, Federal Aviation Agency, transmitting a report of antideficiency violations, pursuant to the provisions of section 3679 of the Revised Statutes, as amended (31 U.S.C. 665 (1)(2)); to the Committee on Appropriations.

572. A letter from the Assistant Secretary of Defense (Installations and Logistics), transmitting the 19th annual report on the national industrial reserve, pursuant to the provisions of Public Law 80-883; to the Committee on Armed Services.

573. A letter from the Secretary of the Navy, transmitting a draft of proposed legislation to authorize the extension of certain naval vessel loans now in existence, and for other purposes; to the Committee on Armed Services.

574. A letter from the Assistant Secretary of the Interior; transmitting a special study to determine the sufficiency of the present safety requirements of the Federal Coal Mine Safety Act, as amended, pursuant to the provisions of Public Law 89-376; to the Committee on Education and Labor.

575. A letter from the Secretary, Export-Import Bank of Washington, transmitting a report on the amount of Export-Import Bank insurance and guarantees issued in connection with United States exports to Yugoslavia for the month of February 1967, pursuant to the provisions of title III of the Foreign Assistance and Related Agencies Appropriation Act of 1967 and to the Presidential determination of February 4, 1964; to the Committee on Foreign Affairs.

576. A letter from the Secretary of State, transmitting additional background information on the U.S. position with respect to Southern Rhodesia; to the Committee on Foreign Affairs.

577. A letter from the Secretary of State, transmitting a proposed draft joint resolution providing for acceptance by the United States of America of two amendments to the constitution of the International Labor Organization; to the Committee on Foreign Affairs.

578. A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a draft of proposed legislation to repeal certain provisions of title 5 and title 18, United States Code; to the Committee on Government Operations.

579. A letter from the Comptroller General of the United States, transmitting a report of review of selected financial management practices in the Department of Labor; to the Committee on Government Operations.

580. A letter from the Comptroller General of the United States, transmitting a report of management of high-value aeronautical parts by Pacific Air Force bases, Department of the Air Force; to the Committee on Government Operations.

581. A letter from the Comptroller General of the United States, transmitting a report of potential savings on volume movements of household goods from overseas points to the continental United States, Department of Defense; to the Committee on Government Operations.

582. A letter from the Secretary of State, transmitting the 14th report of the Department of State on its activities under the Federal Property and Administrative Services Act of 1949 (Public Law 81-152) for the calendar year 1966; to the Committee on Government Operations.

583. A letter from the assistant secretary, the National Institute of Arts and Letters, transmitting the official report of the National Institute of Arts and Letters for the year 1966, in compliance with section 4 of its charter, to the Committee on House Administration.

584. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal, pursuant to the provisions of 63 Stat. 377; to the Committee on House Administration.

585. A letter from the Deputy Assistant Secretary of the Interior, transmitting a proposed amendment extending for 1 year the concession contract to provide accommodations, facilities, and services at the La Push

site in Olympic National Park, Wash., pursuant to the provisions of 70 Stat. 543; to the Committee on Interior and Insular Affairs.

586. A letter from the Secretary of the Interior, transmitting a report on the activities of, expenditures by, and donations to the Charles R. Robertson Lignite Research Laboratory of the Bureau of Mines, Grand Forks, N. Dak., for the calendar year 1966, pursuant to the provisions of 62 Stat. 85; to the Committee on Interior and Insular Affairs.

587. A letter from the Secretary of the Interior, transmitting a report summarizing the 1966 operations regarding the desalting of sea and brackish waters, and to provide recommendations for further legislation, pursuant to the provisions of Public Law 82-448, as amended; to the Committee on Interior and Insular Affairs.

588. A letter from the Assistant Secretary of the Interior, transmitting a copy of a proposed concession contract under which Universal Interpretive Shuttle Corp. will be authorized to establish and operate a visitor interpretive shuttle service in the Mall area, Washington, D.C., National Capital region, National Park Service, for a term from date of execution of contract through December 31, 1977; to the Committee on Interior and Insular Affairs.

589. A letter from the Acting Secretary of Commerce, transmitting the 54th Annual Report of the Secretary of Commerce for the fiscal year ended June 30, 1966, pursuant to the provisions of 5 U.S.C. 604; to the Committee on Interstate and Foreign Commerce.

590. A letter from the Deputy Assistant Secretary of the Interior, transmitting a report covering all employee claims in fiscal year 1966, pursuant to the provisions of 78 Stat. 767; to the Committee on the Judiciary.

591. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation to provide for the settlement of claims against the District of Columbia by officers and employees of the District of Columbia for damage to, or loss of, personal property incident to their service, and for other purposes; to the Committee on the Judiciary.

592. A letter from the Acting Secretary of Commerce, transmitting the Annual Report of the Maritime Administration for fiscal year 1966; to the Committee on Merchant Marine and Fisheries.

593. A letter from the Governor of the Canal Zone, President, Panama Canal Company, transmitting a draft of proposed legislation to provide a survivorship annuity for widows of recipients under the Panama Canal Cash Relief Act of July 5, 1937; to the Committee on Merchant Marine and Fisheries.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BRADEMAS:

H.R. 7819. A bill to strengthen and improve programs of assistance for elementary and secondary education by extending authority for allocation of funds to be used for education of Indian children and children in overseas dependents schools of the Department of Defense, by extending and amending the National Teacher Corps program, by providing assistance for comprehensive educational planning, and by improving programs of education for the handicapped; to improve authority for assistance to schools in federally impacted areas and areas suffering a major disaster; and for other purposes; to the Committee on Education and Labor.

By Mr. BATTIN:

H.R. 7820. A bill to cancel certain construction costs and irrigation assessments chargeable against lands of the Fort Peck Indian Reservation, Mont.; to the Committee on Interior and Insular Affairs.

H.R. 7821. A bill to amend the Internal

Revenue Code of 1954 to provide for the refund to States of certain taxes on distilled spirits and wine destroyed by fire, casualty, or act of God; to the Committee on Ways and Means.

By Mr. BENNETT:

H.R. 7822. A bill to eliminate fraud from the Federal home loan and mortgage insurance programs; to the Committee on Veterans' Affairs.

H.R. 7823. A bill to provide that the income averaging provisions of the Internal Revenue Code of 1954 shall not apply to income attributable to crime; to the Committee on Ways and Means.

By Mr. BRAY:

H.R. 7824. A bill to protect consumers and others against misbranding, false invoicing, and false advertising of decorative wood and simulated wood products; to the Committee on Interstate and Foreign Commerce.

By Mr. BROWN of Ohio:

H.R. 7825. A bill to restrict imports of dairy products; to the Committee on Ways and Means.

By Mr. BUTTON:

H.R. 7826. A bill to amend the Communications Act of 1934 to extend and enlarge the program of grants for educational television broadcasting facilities; to the Committee on Interstate and Foreign Commerce.

H.R. 7827. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. CHAMBERLAIN:

H.R. 7828. A bill to regulate imports of milk and dairy products, and for other purposes; to the Committee on Ways and Means.

By Mr. CLEVELAND:

H.R. 7829. A bill to provide comprehensive rules dealing with interrogation which will fully protect the rights and interest of society and the criminally accused; to the Committee on the Judiciary.

By Mr. CUNNINGHAM:

H.R. 7830. A bill to amend the Communications Act of 1934 with respect to obscene or harassing telephone calls in interstate or foreign commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. DOWDY:

H.R. 7831. A bill to amend the Fire and Casualty Act and the Motor Vehicle Safety Responsibility Act of the District of Columbia; to the Committee on the District of Columbia.

By Mr. FARBSTEIN:

H.R. 7832. A bill to establish a Federal sabbatical program to improve the quality of teaching in the Nation's elementary or secondary schools; to the Committee on Education and Labor.

H.R. 7833. A bill to amend section 3 of title 4, United States Code, relating to the use of the United States flag, to make its provisions also applicable outside the District of Columbia; to the Committee on the Judiciary.

By Mr. FINDLEY:

H.R. 7834. A bill to extend rural mail delivery service; to the Committee on Post Office and Civil Service.

By Mr. GIBBONS:

H.R. 7835. A bill to provide for the return of obscene mail matter; to the Committee on Post Office and Civil Service.

By Mr. GUDE:

H.R. 7836. A bill to amend the Civil Service Retirement Act to provide for the inclusion in the computation of accredited services of certain periods of service rendered States or instrumentalities of States, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HALPERN:

H.R. 7837. A bill to establish a Department of Veterans' Affairs; to the Committee on Government Operations.

H.R. 7838. A bill to establish a Federal Motor Vehicle Insurance Guarantee Corporation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 7839. A bill to amend title 39, United States Code, to provide a new system of overtime compensation for postal field service employees, to eliminate compensatory time in the postal field service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HORTON:

H.R. 7840. A bill to regulate imports of milk and dairy products, and for other purposes; to the Committee on Ways and Means.

By Mr. HOWARD:

H.R. 7841. A bill to amend title II of the Social Security Act to provide disability insurance benefits thereunder for any individual who is blind and has at least six quarters of coverage, and for other purposes; to the Committee on Ways and Means.

By Mr. LENNON:

H.R. 7842. A bill to authorize the disposal of platinum from the national stockpile and the supplemental stockpile; to the Committee on Armed Services.

By Mr. McDADE:

H.R. 7843. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

H.R. 7844. A bill relating to the status of volunteer fire companies for purposes of liability for Federal income taxes and for certain Federal excise taxes; to the Committee on Ways and Means.

H.R. 7845. A bill to amend the Internal Revenue Code of 1954 to increase from \$600 to \$1,000 the personal income tax exemptions of a taxpayer (including the exemptions for a spouse, the exemption for a dependent, and the additional exemptions for old age and blindness); to the Committee on Ways and Means.

H.R. 7846. A bill relating to withholding, for purposes of the income tax imposed by certain cities, on the compensation of Federal employees; to the Committee on Ways and Means.

H.R. 7847. A bill to amend the Internal Revenue Code of 1954 with respect to the income tax treatment of business development corporations; to the Committee on Ways and Means.

H.R. 7848. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. MATSUNAGA:

H.R. 7849. A bill to amend title 5, United States Code, to provide additional group life insurance and accidental death and dismemberment insurance for Federal employees and additional life insurance for retired Federal employees, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 7850. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for contributions to political parties or candidates; to the Committee on Ways and Means.

By Mr. MOORE:

H.R. 7851. A bill to increase from \$600 to \$1,000 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemption for a dependent, and the additional exemption for old age and blindness); to the Committee on Ways and Means.

By Mr. MORSE:

H.R. 7852. A bill to control unfair trade practices affecting producers of agricultural products and associations of such producers, and for other purposes; to the Committee on Agriculture.

By Mr. MULTER:

H.R. 7853. A bill to amend the Railroad Retirement Act of 1937 to provide a full annuity for any individual (without regard to his age) who has completed 30 years of railroad service; to the Committee on Interstate and Foreign Commerce.

H.R. 7854. A bill to establish a Federal Motor Vehicle Insurance Guarantee Corporation, and for other purposes; to the Com-

mittee on Interstate and Foreign Commerce.

By Mr. O'HARA of Michigan:

H.R. 7855. A bill to amend the Internal Revenue Code of 1954 to provide a credit against 5 percent of the Federal income tax for State and local income taxes paid by an individual during the taxable year; to the Committee on Ways and Means.

By Mr. PERKINS:

H.R. 7856. A bill to adjust the rates of basic compensation of certain employees of the Federal Government, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 7857. A bill to amend title 38 of the United States Code in order to extend to certain veterans who served in the Mexican border conflict the benefits enjoyed by veterans who served during periods of war; to the Committee on Veterans' Affairs.

By Mr. PRICE of Illinois:

H.R. 7858. A bill to provide compensation to survivors of local law enforcement officers killed while apprehending persons for committing Federal crimes; to the Committee on the Judiciary.

H.R. 7859. A bill to increase from \$600 to \$1,000 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemption for a dependent, and the additional exemption for old age and blindness); to the Committee on Ways and Means.

By Mr. PRICE of Texas:

H.R. 7860. A bill to amend section 22 of the Agricultural Adjustment Act of 1933, as amended; to the Committee on Ways and Means.

H.R. 7861. A bill to restrict imports of dairy products; to the Committee on Ways and Means.

By Mr. RARICK:

H.R. 7862. A bill to amend sections 1331 and 1332, title 28, chapter 85, United States Code, dealing in part with the jurisdiction of district courts of the United States; to the Committee on the Judiciary.

H.R. 7863. A bill to regulate imports of milk and dairy products, and for other purposes; to the Committee on Ways and Means.

By Mr. SAYLOR:

H.R. 7864. A bill to authorize the Secretary of the Interior to designate within the Department of the Interior an officer to establish, coordinate, and administer programs authorized by this act, for the reclamation, acquisition, and conservation of lands and water adversely affected by coal mining operations, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 7865. A bill to amend the Internal Revenue Code of 1954 to extend the head-of-household benefits to unremarried widows and widowers, and individuals who have attained age 35 and who have never been married or who have been separated or divorced for 3 years or more, who maintain their own households; to the Committee on Ways and Means.

By Mr. SKUBITZ:

H.R. 7866. A bill to amend Public Laws 815 and 874, 81st Congress, to provide financial assistance in the repair or replacement of public elementary and secondary schools suffering the results of fire, flood, storm, earthquake, or other casualty; to the Committee on Education and Labor.

H.R. 7867. A bill to provide that where the entitlement of veteran, widow, or child to a pension from the Veterans' Administration is based upon the veteran's having served in World War I, the beneficiary shall if otherwise eligible have the right to elect payment of pension under either the provisions of title 38 as in effect on June 30, 1960, or as amended by the Veterans' Pension Act of 1959, whichever provides the greater benefit; to the Committee on Veterans' Affairs.

By Mr. SMITH of Oklahoma:

H.R. 7868. A bill to control unfair trade practices affecting producers of agricultural products and associations of such producers,

and for other purposes; to the Committee on Agriculture.

By Mr. TEAGUE of Texas:

H.R. 7869. A bill to amend the Federal Firearms Act to prohibit the use in the commission of certain crimes of firearms transported in interstate commerce; to the Committee on Ways and Means.

By Mr. TENZER:

H.R. 7870. A bill to encourage the creation of original ornamental designs of useful articles by protecting the authors of such designs for a limited time against unauthorized copying; to the Committee on the Judiciary.

By Mr. THOMPSON of Georgia:

H.R. 7871. A bill to amend title 13, United States Code, to provide for a mid-decade census of population, unemployment, and housing in the year 1975 and every 10 years thereafter; to the Committee on Post Office and Civil Service.

By Mr. BOLAND:

H.R. 7872. A bill to amend the tariff schedules of the United States with respect to the rate of duty on paper industries machinery; to the Committee on Ways and Means.

By Mr. BROWN of California:

H.R. 7873. A bill to amend section 3402 of title 38, United States Code, to provide for the recognition by the Administrator of Veterans' Affairs of the Paralyzed Veterans of America, Inc., for the prosecution of veterans' claims; to the Committee on Veterans' Affairs.

By Mr. DOW:

H.R. 7874. A bill to provide that the Joint Committee on the Library shall make an annual report relating to the use of automatic data processing by the Legislative Reference Service of the Library of Congress; to the Committee on House Administration.

By Mr. EILBERG:

H.R. 7875. A bill to provide for the issuance of a special postage stamp in honor of the 12th World Jamboree of the Boy Scouts of America; to the Committee on Post Office and Civil Service.

H.R. 7876. A bill to amend title 13, United States Code, to provide for a mid-decade census of population, unemployment, and housing in the year 1975 and every 10 years thereafter; to the Committee on Post Office and Civil Service.

By Mr. KING of New York:

H.R. 7877. A bill to regulate imports of milk and dairy products, and for other purposes; to the Committee on Ways and Means.

By Mr. McEWEN:

H.R. 7878. A bill to extend by 1 year the period for filing applications for certain death insurance benefits under the National Service Life Insurance Act of 1940; to the Committee on Veterans' Affairs.

By Mr. RARICK:

H.R. 7879. A bill to prohibit any State from levying income taxes on nonresidents of the State; to the Committee on the Judiciary.

By Mr. RIEGLE:

H.R. 7880. A bill to regulate imports of milk and dairy products, and for other purposes; to the Committee on Ways and Means.

By Mr. STEIGER of Arizona:

H.R. 7881. A bill to amend chapter 61 of title 18, United States Code, relating to lotteries to exempt deer-hunting contests; to the Committee on the Judiciary.

By Mr. BELL:

H.J. Res. 484. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. GUDE:

H.J. Res. 485. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. HALPERN:

H.J. Res. 486. Joint resolution proposing

an amendment to the Constitution of the United States to provide that the right to vote shall not be denied on account of age to persons who are 18 years of age or older; to the Committee on the Judiciary.

By Mr. MAHON:

H.J. Res. 487. Joint resolution to provide for the reappointment of Jerome C. Hunsaker as Citizen Regent of the Board of Regents of the Smithsonian Institution; to the Committee on House Administration.

By Mr. RARICK:

H.J. Res. 488. Joint resolution to support the prohibition of Federal control of education as provided by section 604 of Public Law 89-10; to the Committee on Education and Labor.

By Mr. BUTTON:

H. Con. Res. 297. Concurrent resolution to provide early appropriations for Federal educational programs; to the Committee on Rules.

By Mr. CUNNINGHAM:

H. Con. Res. 298. Concurrent resolution to provide for an investigation and study of the administration of the Economic Opportunity Act of 1964; to the Committee on Rules.

By Mr. ESCH:

H. Con. Res. 299. Concurrent resolution to create a delegation to a convention of North Atlantic nations; to the Committee on Foreign Affairs.

By Mr. GUDE:

H. Con. Res. 300. Concurrent resolution to provide early appropriations for Federal educational programs; to the Committee on Rules.

By Mr. STEIGER of Wisconsin:

H. Con. Res. 301. Concurrent resolution to create a delegation to a convention of North Atlantic nations; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

100. By the SPEAKER: Memorial of the Legislature of the State of Alabama, relative to ratification of the proposed amendment to the Constitution relating to succession to the Presidency and Vice-Presidency; to the Committee on the Judiciary.

101. Also, memorial of the Legislature of the State of Arizona, relative to the allocation of additional land for common school, high school, and junior college purposes; to the Committee on Interior and Insular Affairs.

102. Also, memorial of the Legislature of the State of Arizona, relative to regulation and registration of mail-order firearms sales; to the Committee on Ways and Means.

103. Also, memorial of the Legislature of the State of Colorado, relative to legislation necessary to implement and execute the oil shale development program of the Department of the Interior; to the Committee on Interior and Insular Affairs.

104. Also, memorial of the Legislature of the State of Colorado, relative to Federal financial assistance for domestic gold producers; to the Committee on Interior and Insular Affairs.

105. Also, memorial of the Legislature of the State of Colorado, relative to Federal financial assistance for domestic lead and zinc producers; to the Committee on Interior and Insular Affairs.

106. Also, memorial of the Legislature of the State of Maine, relative to full development of electric power potential of Passamaquoddy Bay and Upper St. John River; to the Committee on Foreign Affairs.

107. Also, memorial of the Legislature of the Commonwealth of Massachusetts, relative to a proposed constitutional amendment permitting the recital of a nonsectarian prayer in public schools; to the Committee on the Judiciary.

108. Also, memorial of the Legislature of

the State of Minnesota, relative to the return to the States of a portion of the income taxes collected in each State; to the Committee on Ways and Means.

109. Also, memorial of the Legislature of the State of Missouri, relative to the Heller revenue-sharing plan; to the Committee on Ways and Means.

110. Also, memorial of the Legislature of the State of Missouri, relative to the Heller revenue-sharing plan; to the Committee on Ways and Means.

111. Also, memorial of the Legislature of the State of Missouri, relative to the issuance of a commemorative postage stamp honoring Phoebe Apperson Hearst; to the Committee on Post Office and Civil Service.

112. Also, memorial of the Legislature of the State of Ohio, relative to ratification of the proposed constitutional amendment relating to succession to the Presidency and Vice-Presidency; to the Committee on the Judiciary.

113. Also, memorial of the Legislature of the State of New York, relative to declaring Columbus Day a Federal legal public holiday; to the Committee on the Judiciary.

114. Also, memorial of the Legislature of the State of Washington, relative to the construction and operation of an experimental fish protein concentrate plant; to the Committee on Appropriations.

115. Also, memorial of the Legislature of the State of Washington, relative to the construction of the Bumping Lake enlargement; to the Committee on Appropriations.

116. Also, memorial of the Legislature of the State of Washington, relative to making the tribal rolls and mailing lists of the various Indian tribes available to enrolled members of the particular tribe; to the Committee on Interior and Insular Affairs.

117. Also, memorial of the Legislature of the State of Washington, relative to the extension of navigation on the upper Columbia River; to the Committee on Public Works.

118. Also, memorial of the Legislature of the State of Washington, relative to lifting the burden of taxation from low-income families and individuals; to the Committee on Ways and Means.

119. Also, memorial of the Legislature of the State of Washington, relative to the establishment of *hippoglossus stenolepis* and *hippoglossus hippoglossus* as the only fish to be known as halibut; to the Committee on Merchant Marine and Fisheries.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT:

H.R. 7882. A bill for the relief of certain individuals employed by the Department of the Navy at certain U.S. naval stations in Florida; to the Committee on the Judiciary.

By Mr. BROWN of California:

H.R. 7883. A bill for the relief of Rufinita Atil Jaurigue; to the Committee on the Judiciary.

By Mr. BURKE of Massachusetts:

H.R. 7884. A bill for the relief of Guido Paribello; to the Committee on the Judiciary.

H.R. 7885. A bill for the relief of Ioannis Perris, also known as John Perris; to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H.R. 7886. A bill for the relief of Maria Flores; to the Committee on the Judiciary.

By Mr. HALL:

H.R. 7887. A bill for the relief of Bienvenido Yikyekan Borromeo; to the Committee on the Judiciary.

By Mrs. HECKLER of Massachusetts:

H.R. 7888. A bill for the relief of Carmela Tarantino; to the Committee on the Judiciary.

By Mr. HORTON:

H.R. 7889. A bill for the relief of Pietro Severino; to the Committee on the Judiciary.

By Mr. MOORE:

H.R. 7890. A bill for the relief of Dr. Josefin Quintos Marcelo; to the Committee on the Judiciary.

By Mr. MORSE:

H.R. 7891. A bill for the relief of Angelo Battista Noll; to the Committee on the Judiciary.

By Mr. O'NEILL of Massachusetts:

H.R. 7892. A bill for the relief of Manuel Jose de Barros; to the Committee on the Judiciary.

H.R. 7893. A bill for the relief of Mrs. Guiomar P. Figueiredo de Oliveira; to the Committee on the Judiciary.

By Mr. PETTIS:

H.R. 7894. A bill for the relief of Sununta Ninphairoj; to the Committee on the Judiciary.

By Mr. PHILBIN:

H.R. 7895. A bill to authorize the President to promote Brig. Gen. Robert F. McDermott to the temporary grade of major general; to the Committee on Armed Services.

By Mr. POLANCO-ABREU:

H.R. 7896. A bill for the relief of Dr. Jose A. Rico Fernandez; to the Committee on the Judiciary.

H.R. 7897. A bill for the relief of Dr. Guillermo Fresco de Jongh; to the Committee on the Judiciary.

H.R. 7898. A bill for the relief of Dr. Nemesio Vazquez Fernandez; to the Committee on the Judiciary.

H.R. 7899. A bill for the relief of Dr. Manuel V. Areces-Perez; to the Committee on the Judiciary.

H.R. 7900. A bill for the relief of Dr. Eulogio Manuel Calderin Pazos; to the Committee on the Judiciary.

H.R. 7901. A bill for the relief of Dr. Francisco Dominguez Lopez; to the Committee on the Judiciary.

H.R. 7902. A bill for the relief of Dr. Mi-

guel A. Santos-Buch; to the Committee on the Judiciary.

H.R. 7903. A bill for the relief of Dr. Luis F. Serrano Milanés; to the Committee on the Judiciary.

By Mr. ROONEY of New York:

H.R. 7904. A bill for the relief of Dr. Elba J. Garcia; to the Committee on the Judiciary.

By Mr. ST GERMAIN:

H.R. 7905. A bill for the relief of Maria De Jesus Da Silva Ferreira; to the Committee on the Judiciary.

H.R. 7906. A bill for the relief of Maria Inez Pacheco de Andrade Medeiros; to the Committee on the Judiciary.

H.R. 7907. A bill for the relief of Othon Da Rocha Rebelo; to the Committee on the Judiciary.

By Mr. STEIGER of Arizona:

H.R. 7908. A bill for the relief of Leonard N. Rogers, John P. Corcoran, Mrs. Charles W. (Ethel J.) Pensinger, Marion M. Lee, and Arthur N. Lee; to the Committee on Agriculture.

By Mr. TENZER:

H.R. 7909. A bill for the relief of Manufacturers Hanover Trust Co. of New York, N.Y.; to the Committee on the Judiciary.

PETITIONS, ETC.

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

51. By the SPEAKER: Petition of Associated General Contractors of Massachusetts, Inc., Chestnut Hill, Mass., relative to the establishment of the division office of the Chief of Naval Operations in Boston; to the Committee on Armed Services.

52. Also, petition of the Bar Association of the District of Columbia, Washington, D.C., relative to the improvement and extension through reciprocal legislation of the enforcement of duties of support (71 Stat. 285, D.C. Code 30-308); to the Committee on the District of Columbia.

53. Also, petition of American Bakers Association, Washington, D.C., relative to investigation of the administration of the Sugar Act of 1948; to the Committee on Agriculture.

54. Also, petition of Grande Voiture of Massachusetts, La Société des 40 Hommes et 8 Chevaux, Worcester, Mass., relative to the closing of the Arlington National Cemetery; to the Committee on Interior and Insular Affairs.

55. Also, petition of Henry Stoner, Portland, Ore., relative to the requirement of a two-thirds majority vote of the Supreme Court in declaring laws unconstitutional; to the Committee on the Judiciary.

56. Also, petition of Henry Stoner, Portland, Ore., relative to the acceptance of memorials from State legislatures; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Bellmore Students Help Each Other

EXTENSION OF REMARKS

OF

HON. HERBERT TENZER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 3, 1967

Mr. TENZER. Mr. Speaker, recently I had the opportunity to discuss with

civic leaders, teachers, and students of the village of Bellmore, N.Y., a unique and meaningful program to raise scholarship funds through private initiative.

The Mephram-Calhoun-Kennedy Fund, Inc., is a joint effort of Mephram High School, Calhoun High School, and Kennedy High School, in Bellmore, Long Island, N.Y. It consists of the heads of the student organizations, representatives of parent-faculty groups, high

school principals, and interested parents and public spirited citizens, who serve as officers of the operating committees.

The purpose of the fund is to provide awards to high school graduates based on scholarship and the need for financial assistance to enable worthy students to further their college education. Over \$70,000 has been raised in the 7 years during which the program has been in existence.